



COUNTY OF LOS ANGELES
DEPARTMENT OF PARKS AND RECREATION
"Creating Community Through People, Parks and Programs"

Russ Guiney, Director

May 12, 2009

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**DEPARTMENT OF PARKS AND RECREATION:
APPROVAL OF A SUB-LEASE FOR THE OPERATION AND MAINTENANCE
OF THE BMX FACILITY AT THE WHITTIER NARROWS RECREATION AREA
(SUPERVISORIAL DISTRICT 1) (3 VOTES)**

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

26 JUNE 2, 2009

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

SUBJECT

Request to approve a seven-year sub-lease between the Department of Parks and Recreation and American Bicycle Association for the operation and maintenance of a non-motorized bicycle moto-cross facility at the Whittier Narrows Recreation Area.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find the proposed action is categorically exempt from the California Environmental Quality Act.
2. Approve and instruct the Chairman to sign the sub-lease for the operation and maintenance of a non-motorized bicycle moto-cross facility with the American Bicycle Association at the Whittier Narrows Recreation Area, for a seven-year term, effective the first day of the month following Board approval.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Whittier Narrows Recreation Area (Whittier Narrows) is a primary regional recreational facility for the residents of the San Gabriel Valley, which attracts 1.5 million visitors annually. Current services and amenities include picnic areas, hiking trails, bike paths, a youth campground, two regulation golf courses, a military museum, archery range, trap and skeet range, equestrian center, non-motorized bicycle moto-cross (BMX) bicycle track, softball and soccer fields, and a 300-acre natural area.

The recommended action will approve a seven-year sub-lease with the American Bicycle Association (ABA) for the operation and maintenance of the BMX facility at Whittier Narrows. This new sub-lease will provide increased revenue to the County of Los Angeles (County), and allow for increases in revenue over the seven year term. This sub-lease with the ABA will serve and benefit the surrounding community, which includes youth groups, schools, summer camp programs, and after-school programs by providing bicycle clinics, riding lessons, and an outreach program.

Implementation of Strategic Plan Goals

The proposed Whittier Narrows BMX sub-lease with the ABA will further the County's Strategic Plan Goal of Operational Effectiveness (Goal 1), by utilizing an experienced BMX facility operator to provide and conduct BMX-related activities, and increase revenues at Whittier Narrows. It will also further Strategic Plan Goal of Community and Municipal Services (Goal 3), by creating affordable, accessible, and quality BMX activities to the surrounding community.

FISCAL IMPACT/FINANCING

Pursuant to the terms of the sub-lease, the ABA shall pay the County on a monthly basis a minimum rent of \$500 or two percent of the combined total of all food and non-alcoholic beverage sales, BMX merchandise sales, and the repair or rental of BMX equipment, whichever is greater.

Based on the current Operator's 2008 annual gross receipts, the total annual rent paid to the County was \$994. The proposed sub-lease with the ABA will guarantee a minimum annual amount of \$6,000 to the Department of Parks and Recreation (Department).

Operating Budget Impact

As a result of the recommended actions, the Department anticipates a slight revenue increase to its current year operating budget as the agreement effective date occurs in May 2009. The entire revenue increase of \$5,000 annually will be fully realized in FY 2009–10, and will be addressed during final changes of its FY 2009–10 Budget Request.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Board is authorized by Government Code Section 25907 to contract for concessions and services that are consistent with public parks and recreation purposes within Whittier Narrows Recreation Area, and pursuant to the provisions and conditions of the Department of the Army Lease for Park and Recreational Purposes, Whittier Narrows Flood Control Basin, No. DACW09-1-86-43, granted to the County by the Secretary of the Army under authority of the Flood Control Act of 1944, Section 4 as amended 16 U.S.C.460d. The proposed sub-lease is consistent with said purposes.

The term of the sub-lease at the Whittier Narrows BMX facility will commence the first day of the month following the Board's approval for seven years.

This sub-lease contains terms and conditions supporting your Board's ordinances, policies, and programs, including but not limited to Reporting of Improper Solicitations, Board Policy No. 5.060; Notice to Contract Employees of Newborn Abandonment Law (Safely Surrendered Baby Law), Board Policy No. 5.135; Contractor Responsibility and Debarment, Los Angeles County Code Chapter 2.202; the Los Angeles County's Child Support Compliance Program, Los Angeles County Code, Chapter 2.200; and the standard Board-directed clauses that provide for contract termination or renegotiation.

The ABA has executed the attached sub-lease and will provide the required insurance policies prior to the start of this sub-lease, naming the County and the United States Army Corps of Engineers (ACOE) as additional insureds.

The ACOE has reviewed and approved the proposed sub-lease.

County Counsel has approved the sub-lease as to form.

ENVIRONMENTAL DOCUMENTATION

The proposed sub-lease is categorically exempt from the California Environmental Quality Act (CEQA) in accordance with Sections 15301 and 15323 of the State CEQA Guidelines and Classes 4(j) and 23 of the Environmental Document Reporting Procedures and Guidelines adopted by the Board on November 17, 1987, because the agreement provides for permits, licensing, and leases on existing facilities.

Whittier Narrows is a federal facility under the jurisdiction of the ACOE and is leased, operated and maintained by the Department. As a federal facility, all projects at Whittier Narrows must comply with the National Environmental Policy Act (NEPA). The ACOE has determined that the project is in compliance with NEPA as Categorical Exclusion in accordance with 40 CFR 1508.4 and 33d CFR 230.9, and that the project, when considered individually and cumulatively, does not have significant effects on the quality of the human environment.

CONTRACTING PROCESS

On July 17, 2008, the Department commenced solicitation for the operation and maintenance of the Whittier Narrows BMX Facility by posting the Request for Proposal (RFP) notice on the County of Los Angeles "Doing Business With Us" website. The notice also included a link to download the solicitation package and bilingual instructions on how to contact the Department regarding this project. On July 18, 2008, an ad was posted in the "Daily Bulletin" providing general information about the RFP and how to contact the Department regarding this project.

On August 7, 2008, four Proposers attended the Proposer's Conference. On September 25, 2008, the Department received two proposals. The proposals were first reviewed by Contract Development staff to ensure compliance with mandatory minimum requirements outlined in the RFP. Having met those requirements, the proposals were then evaluated by an evaluation panel. The panel comprised of three Department employees.

The evaluation panel evaluated each proposal based on criteria identified in the RFP, which included the business experience and qualifications; rent to the County; operation and maintenance plan; safety programs; and the ability to operate and maintain a BMX facility. Based on these evaluations, the ABA was determined to have met all requirements, and was rated as the highest ranked proposal for the operation and maintenance of the Whittier Narrows BMX Facility.

The Honorable Board of Supervisors
May 12, 2009
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Attachment I reflects the Proposer's minority participation. It should be noted that upon final analysis and award, the sub-lessee was selected without regard to gender, race, creed, or color.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The last Concessionaire was operating under a Director's Agreement, which expired on December 31, 2008. It is anticipated that the new sub-lease will commence on the first day of the month, following Board approval. Due to the RFP process, the recommendation for award of a new sub-lease is occurring after the expiration date of the most recent Agreement. Therefore, services since January 1, 2009, are being provided under a temporary permit. Meanwhile, BMX activities will remain uninterrupted and there will be no impact to existing service levels. The award of this sub-lease will not infringe on the role of the County in its relationship to its residents; the County's ability to respond to emergencies will not be impaired. There is no change in risk exposure to the County.

CONCLUSION

It is requested that an adopted copy of the action taken by the Board, and a fully executed copy of the attached sub-lease be mailed to: American Bicycle Association, ATTN: John David, 1645 W. Sunrise Blvd., Gilbert, Arizona 85233. In addition, it is requested that one adopted copy be sent to the Treasurer and Tax Collector, one adopted copy be sent to the Assessor, and four adopted copies be forwarded to the Department of Parks and Recreation.

Respectfully submitted,



RUSS GUINEY
Director

RG:DM:KEH
GB:MG:rc

Attachment

c: County Counsel

County of Los Angeles - Community Business Enterprise (CBE) Program

Request for Local SBE Preference Program Consideration and CBE Firm/Organization Information Form

INSTRUCTIONS: All Proposers/Bidders responding to this solicitation must complete and return this form for proper consideration of the proposal/bid.

LOCAL SMALL BUSINESS ENTERPRISE PREFERENCE PROGRAM:

FIRM NAME: American Bicycle Association

- I AM NOT** A Local SBE certified by the County of Los Angeles Office of Affirmative Action Compliance as of the date of this proposal/bid submission.
- I AM**

As an eligible Local SBE, I request this proposal/bid be considered for the Local SBE Preference

My County (WebVen) Vendor Number: _____

- II **FIRM/ORGANIZATION INFORMATION:** The information requested below is for statistical purposes only. On final analysis and consideration of award, contractor/vendor will be selected without regard to gender, race, creed or color.

Business Structure: <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Partnership <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Non-Profit <input type="checkbox"/> Franchise <input type="checkbox"/> Other (Please Specify) _____						
Total Number of Employees (including owners): 24						
Race/Ethnic Composition	Owners/Partners/ Associate Partners		Managers		Staff	
	Male	Female	Male	Female	Male	Female
Black / African American						
Hispanic / Latino					1	1
Asian or Pacific Islander						
American Indian/ Alaskan Native						
Filipino American						
White	2		1		9	10

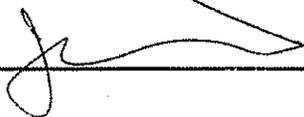
- III **PERCENTAGE OF OWNERSHIP IN FIRM:** Please indicate by percentage (%) how ownership of the firm is distributed

	Black / African American	Hispanic/ Latino	Asian or Pacific Islander	American Indian/ Alaskan Native	Filipino American	White
Men	%	%	%	%	%	100 %
Women	%	%	%	%	%	%

- IV **CERTIFICATION AS MINORITY, WOMEN, DISADVANTAGED, AND DISABLED VETERAN BUSINESS ENTERPRISES:** If your firm is currently certified as a minority, women, disadvantaged or disabled veteran business enterprise by a public agency, complete the following and attach a copy of your proof of certification. (Use back of form if necessary)

Agency Name	Minority	Women	Dis-advantaged	Disabled Veteran	Expiration Date

- V **DECLARATION:** I DECLARE UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE ABOVE INFORMATION IS TRUE AND ACCURATE

Authorized Signature: 	Title: Director	Date: 9/30/02
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**SUB-LEASE
AGREEMENT**



BY AND BETWEEN

COUNTY OF LOS ANGELES

AND

AMERICAN BICYCLE ASSOCIATION

FOR

**Operation and Maintenance
of the**

Non-Motorized Bicycle Motocross (BMX) Facility

at the

Whittier Narrows Dam Recreational Area

Mo 7 7 0 0 6

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**SUB-LEASE FOR THE
OPERATION AND MAINTENANCE OF THE BMX FACILITY
AT WHITTIER NARROWS RECREATION AREA**

THIS SUB-LEASE, made and entered into this 2ND day of
JUNE, 2009,

BY AND BETWEEN

COUNTY OF LOS ANGELES, a
body corporate and politic,
hereinafter referred to as
"County,"

AND

AMERICAN BICYCLE ASSOCIATION,
hereinafter referred to as "Sub-lessee,"

RECITALS

WHEREAS, County is authorized by the provision of Government Code Section 25907 to lease and sublease recreation lands for concessions and services that are consistent with public park and recreation purposes; and

WHEREAS, the County, as approved by the Board of Supervisors of Los Angeles County on April 14, 1987, is authorized to contract for such concession services within the Whittier Narrows Recreation Area pursuant to the provisions of the "Department of the Army Lease for Public Park and Recreational Purposes Whittier Narrows Flood Control Basin Los Angeles, California No. DACW09-1-86-43" granted to County by the Secretary of the Army, under authority of Section 4 of the Act of Congress approved on December 22, 1944 as amended; and

WHEREAS, a sublease for the operation and maintenance of a non-motorized bicycle moto-cross (BMX) facility is consistent with said purposes; and

WHEREAS, Sub-lessee is willing to execute a Sub-lease in accordance with the terms and conditions prescribed therefor; and

WHEREAS, the District Engineer for the Los Angeles District of the Army Corps of Engineers has approved the Sub-lease and Use Granted herein.

NO 77006

NOW, THEREFORE, in consideration of the mutual promises, covenants and conditions set forth herein, the parties hereto and each of them do agree as follows:

1.0 APPLICABLE DOCUMENTS

Exhibits A, B, C, D, E, F, and G are attached hereto and form a part of this Sub-lease. In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule, or the contents or description of any task, deliverable, goods, service, or other work, or otherwise between the base Sub-lease and the Exhibits, or between Exhibits, such conflict or inconsistency shall be resolved by giving precedence first to the Sub-lease and then to the Exhibits according to the following priority:

- 1.1 EXHIBIT A - Department of the Army Master Lease Agreement
- 1.2 EXHIBIT B - Site Plan/Sub-Leased Premises
- 1.3 EXHIBIT C - County Fees and Charges
- 1.4 EXHIBIT D - Mowing Specifications
- 1.5 EXHIBIT E - Internal Revenue Service Notice 1015
- 1.6 EXHIBIT F - Safely Surrendered Baby Law
- 1.7 EXHIBIT G - Sub-Lessee's Equal Employment Opportunity Certification

2.0 DEFINITIONS

- 2.1 The headings herein contained are for convenience and reference only and are not intended to define or limit the scope of any provision thereof.
- 2.2 The following words as used herein shall be construed to have the following meaning, unless otherwise apparent from the context in which they are used:
 - 2.2.1 **Agreement Year:** the 365 day period commencing on the first day of the month following the approval of this Sub-lease by the Director which date shall become the effective date of this Sub-lease and each following 365 day period thereafter throughout the term of this Sub-lease.
 - 2.2.2 **Auditor-Controller:** the Auditor-Controller of the County of Los Angeles or an authorized representative thereof.

- 2.2.3 **BMX:** Non-motorized Bicycle Moto-Cross, described as off-road bicycle sprint racing held on a closed course consisting of a variety of jumps and turns, by which participants earn points as a means to compete in races relative to age and skill level.
- 2.2.4 **Board of Supervisors:** The Board of Supervisors of the County of Los Angeles acting as governing body or their designee.
- 2.2.5 **Building Official:** The Director of the County of Los Angeles Department of Public Works or an authorized representative thereof.
- 2.2.6 **County:** the County of Los Angeles.
- 2.2.7 **Department:** The Los Angeles County Department of Parks and Recreation or an authorized representative thereof.
- 2.2.8 **Director:** the Director of the County of Los Angeles Department of Parks and Recreation or an authorized representative thereof.
- 2.2.9 **District Engineer:** the District Engineer of the United States Army Corps of Engineers, Los Angeles District, his authorized representative, or his successor in interest.
- 2.2.10 **Gross Receipts:** Except as specifically provided by policy statement issued by the Director, the term "gross receipts" as used in this Sub-lease, is defined to be all money, cash receipts, assets, property or other things of value, including but not limited to: gross charges, sales, rentals, fees and commissions made or earned by Sub-lessee whether collected or accrued from any business, use or occupation, or any combination thereof, originating, transacted, or performed in whole or in part, on the premises, including but not limited to rentals, the rendering or supplying of services and the sale of goods, wares or merchandise. Gross receipts shall include the amount of any manufacturer's or importer's excise tax included in the prices of any property or material sold, even though the manufacturer or importer is also the retailer thereof, and it is

immaterial whether the amount of such excise tax is stated as a separate charge.

- a. Except as specifically provided below or by policy statement issued by Director, there shall be no deduction from gross receipts for any overhead cost or expense of operations, such as, but without limitation to salaries, wages, costs of goods, interest, debt amortization, credit, collection costs, discount from credit card operations, insurance and taxes. Bona fide bad debts actually incurred by Sub-lessee may be deducted from gross receipts. There shall, however, be no deduction for bad debts based on past experience or transfers to a bad debt reserve. Subsequent collection of bad debts previously not reported as gross receipts shall be included in gross receipts at the time they are collected.
- b. Except as specifically provided below or by policy statement issued by the Director, gross receipts reported by Sub-lessee must include the full usual charges for any services, goods, rentals or facilities provided by Sub-lessee. Gross receipts shall not include the following: direct taxes imposed upon the consumer and collected therefrom by the Sub-lessee such as, but not limited to, Federal, State, or Municipal retail sales taxes, or related direct taxes, which are direct taxes paid periodically by Sub-lessee to a governmental agency accompanied by a tax return statement.
- c. The Director, by policy statement consistent with recognized and accepted business and accounting practices, upon consultation with Sub-Lessee, and with the approval of the Auditor-Controller and County Counsel, may further interpret the term "gross receipts" as used in this Sub-lease.

2.2.11 Gross Sales Price: The total consideration resulting from the transfer of Sub-lessee's interest in the concession, or portion

thereof, determined by the total cash payments and the market value of all non-cash consideration, including, but not limited to, stocks, bonds, deferred payments, secured and unsecured notes, and forbearances regarding claims and judgments.

2.2.12 **Inclement Weather:** Weather conditions that include, but are not limited to, rain, flooding, extreme cold or heat, that may impair travel conditions, cause power outages, or otherwise impede public safety or make opening a facility impossible or more difficult.

2.2.13 **Non-Alcoholic Beverage:** Any non-alcoholic liquid prepared by flavoring, heating and/or mixing in advance of consumption thereof.

2.2.14 **State:** the State of California.

3.0 OPERATING LEASE WITH CORPS

3.1 This Sub-lease is granted subject to all rights and privileges retained by the United States of America, Department of the Army, (hereinafter: United States) within the Whittier Narrows BMX Track and Facility pursuant to the provisions and conditions of the "Department of the Army Lease for Park and Recreational Purposes Whittier Narrows Flood Control Basin, No. DACW09-1-86-43", as approved by the Board of Supervisors of Los Angeles County on April 14, 1987 and granted to County by the Secretary of the Army under authority of Section 4 of the Act of Congress approved December 22, 1944, as amended. Accordingly, Sub-lessee accepts and agrees to be bound by the following conditions thereof:

- a. That the primary purpose of the Whittier Narrows Flood Control Basin is the control of flood, and nothing herein expressed or implied shall be construed so as to conflict with that purpose.
- b. That the Sub-leased Premises, as identified hereinafter in Section 5, shall be subordinate to the use thereof by the Department of the Army in the operation and maintenance of the Whittier Narrows Flood Control and Basin.
- c. That the exercise of the privileges granted herein shall conform to such rules and regulations as may be prescribed by the Secretary of the

Army to govern the public use of the Whittier Narrows BMX Track and Facility, and shall be subject to the general supervision of the District Engineer for the Los Angeles District of the Army Corps of Engineers (hereinafter: District Engineer).

- d. That the United States shall be held harmless from all claims which may arise from or be incident to the exercise of the privileges granted herein.
- e. That the United States and the Los Angeles County Flood Control District shall not be liable for damages to property or injuries to persons which may arise from or be incidental to the exercise of the privileges granted herein or for damages to the property of Sub-lessee, or for damages to the property or injuries to the person of Sub-lessee and/or the officers, agents, servants or employees or others who may be on said Sub-leased Premises at their invitation or the invitation of any one of them, arising from or incident to the flooding of said Sub-leased Premises by the United States or the Los Angeles County Flood Control District, or flooding from any other cause, or arising from or incident to any other governmental activities on Sub-leased Premises, and Sub-lessee shall hold the United States, the Los Angeles County Flood Control District and the County of Los Angeles harmless from any and all such claims.
- f. That the County under the Terms and Conditions of the Lease with the United States of America is required to provide the District Engineer with annual statements of receipts and expenditures for the administration, maintenance, operation, and development of the Whittier Narrows Recreation Area. Notwithstanding any other provision of this Sub-lease, County reserves the right, if requested by the District Engineer, to release all documents, books, and accounting records obtained as a result of a County performed audit, for the purposes of providing an annual statement of receipts and expenditures to the District Engineer.

- g. That this Sub-lease shall be subject to the prior approval of the District Engineer.
- h. That charges for services rendered and for the use of the Sub-leased Premises shall be reasonable and shall have the prior written approval of the District Engineer.
- i. That Sub-lessee shall hold the United States, the Los Angeles County Flood District and the County of Los Angeles harmless from any and all claims or rights of action for damages which may or might arise or accrue to Sub-lessee and/or the officers, agents, servants, employees or others who may be on the Sub-leased Premises at their invitation or the invitation of any one of them, by reason of injuries to the property, or the person of any of them resulting from the entry upon or the use of the Sub-leased Premises, by the United States, the Los Angeles County Flood Control District, the County of Los Angeles or any one of them at anytime, for any purpose necessary or convenient in connection with river and flood control work, or for the removal of timber required or necessary for such work, or by reason of the flooding of the Sub-leased Premises, or any part thereof, when in the judgment of any of them such flooding is necessary in connection with flood control work.
- j. That the Sub-leased Premises shall not be used for human habitation except for night watchmen or patrolmen. Any such night watchmen or patrolmen, and any structures or trailers located on the Sub-leased Premises for the use of such persons shall be subject to the prior approval thereof by the District Engineer.
- k. That the United States, its officers, agents and employees may enter upon the Sub-leased Premises at any time for any purpose necessary or convenient in connection with river and flood control work, and to remove therefrom timber or other material required or necessary for such work, to flood said Sub-leased Premises when necessary, and/or to make any other use thereof as may be necessary in connection with

flood control work, and Sub-lessee shall have no claim for damages of any character on account thereof against the United States or any agent, officer, or employee thereof.

- I. That the United States may construct, or permit the construction of, facilities for military requirements and for communications, electrical distribution or transmission, water supply, flood channels, sewage disposal and similar purposes on the Sub-leased Premises, and Sub-lessee shall have no claim for compensation for damage of any character on account thereof.
- m. That this Sub-lease may be revoked by the Secretary of the Army in the event the County and/or Sub-lessee violates any of the terms and conditions of this Sub-lease and persists therein for a period of thirty (30) days after notice thereof in writing by the District Engineer. Upon any such revocation, Sub-lessee shall vacate the Sub-leased Premises, remove all property therefrom and restore said Sub-leased Premises to a condition satisfactory to the District Engineer within such time as the Secretary of the Army may designate. In the event of failure or neglect to remove property and/or restore the Sub-leased Premises, then, at the option of the Secretary of the Army, said property shall either become the property of the United States without compensation therefor, or the Secretary of the Army may cause it to be removed and the Sub-leased Premises to be so restored at the expense of Sub-lessee, and no claim for damages against the United States or its officers or agents shall be created by or made on account of such removal and restoration work.
- n. That no member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this Sub-lease or of the benefits arising from the Sub-lessee's operations at Whittier Narrows BMX Facility pursuant to this Sub-lease. Nothing, however, herein contained shall be construed to extend to any incorporated company, if

said Sub-lease is for the general benefit of such corporation or company.

4.0 USE GRANTED

- 4.1 Sub-lessee is hereby authorized and required to operate and maintain a Non-Motorized Bicycle Motor Cross (BMX) facility, and conduct activities, including but not limited to: scheduling of practices and competitive racing; providing beginner's clinics; providing instruction on the proper use of bicycle riding for racing; participation in community outreach to further the interest in BMX activities; selling, renting, purchasing, storing and repairing BMX-related merchandise and equipment; selling of pre-packaged foods; and selling of non-alcoholic beverages from fountain machines.
- 4.1.1 In connection with this endeavor, Sub-lessee shall have the exclusive use of the Sub-leased Premises during the days and hours of operation identified in Section 13, Operating Responsibilities, of this Sub-lease, subject to the right of the Director to schedule the use of the Sub-leased Premises for special events as provided for in Section 4.6 of this Sub-lease.
- 4.1.2 Notwithstanding the above authorization, all proposed services, merchandise and activities to be provided by the Sub-lessee must be submitted in writing by Sub-lessee for approval by the Director and the District Engineer.
- 4.2 Sub-lessee acknowledges and agrees that as of the commencement of the term of this Sub-lease:
- a) There is a separate License Agreement dated February 8, 2005, between the County and Pepsi Bottling Group (Licensee) for the placement of vending machines and the sale of non-alcoholic beverages from said vending machines within the Whittier Narrows Recreation Area.

- b) Pursuant to the terms of the License Agreement, Licensee has exercised its right to provide vending machines for dispensing non-alcoholic beverages within the Sub-lease Premises.
 - c) Sub-lessee acknowledges the right for the Licensee to install vending machines and agrees not to provide vending machines unless Licensee relinquishes this right as provided for in Licensee's Agreement as identified hereinabove.
- 4.3 Sub-lessee acknowledges personal inspection of said property and surrounding area and evaluation of the extent to which the physical condition thereof will affect the intended use. Sub-lessee accepts said property in its present physical condition and agrees to make no demands upon the Director for any improvements or alteration thereof.
- 4.4 The Use Granted is subject to the rights reserved by the United States, its officers, agents and employees in the master lease, to enter the Sub-leased Premises at any time and for any purpose necessary or convenient in connection with river, harbor and flood control work, and to remove timber or other material required for such work; to flood the Sub-leased Premises when necessary, and/or to make any other use of the land as may be necessary in connection with flood control, and Sub-lessee shall have no claim for damages of any character on account thereof against the United States or any agent, officer or employee thereof; to make inspections concerning the operation and maintenance of the Sub-leased Premises; to prohibit any permanent type of recreation building or accessory facilities on the Sub-leased Premises below twenty-five year (25) flood frequency elevations, as determined by the District Engineer and limit any such improvement to open type structures between twenty-five (25) and fifty (50) year flood frequency elevations, as determined by the District Engineer .
- 4.5 Sub-lessee understands and agrees that this Sub-lease and confers only permission to occupy and use the Sub-leased Premises for the described purposes in accordance with the terms and conditions

hereinafter specified without granting or reserving to Sub-lessee any interest or estate therein; the expenditure of capital and/or labor in the course of use and occupancy thereunder shall not confer any interest or estate in the Sub-leased Premises by virtue of said use, occupancy and/or expenditure of money thereon; and it is the intention of the parties to limit the right of use granted herein to a personal, revocable and un-assignable privilege of use in the Sub-leased Premises for the Use Granted herein.

4.6 Department Use of Sub-leased Premises

Notwithstanding Paragraph 13.4, Days and Hours of Operation, of this Sub-lease, the Department reserves the right to schedule the use of the Sub-leased Premises for special events sponsored by the Department. Specific dates and the areas to be used shall be arranged with Sub-lessee. County shall be responsible for repairing any damage, except for normal wear and tear, to the Sub-leased Premises while conducting said activities.

5.0 SUB-LEASED PREMISES

- 5.1 The Use Granted, as identified in Section 4 of this Sub-lease, shall be conducted within the Sub-leased Premises, as shown in Exhibit B, attached hereinafter and incorporated herein by reference.
- 5.2 The Sub-leased Premises shall be used only and exclusively for purposes authorized herein, and such other purposes as are related thereto provided express approval therefore is granted by the Director and approved by the District Engineer and for no other purposes whatsoever.
- 5.3 Sub-lessee hereby acknowledges the title of the United States of America, County, and/or any other public agencies having jurisdiction thereover, in and to the Sub-leased Premises and the improvements located thereon, and covenants and agrees never to assail, contest or resist said title.

- 5.4 Any improvements, additions, alterations, or changes to the Sub-leased Premises shall be subject to: prior approval by the District Engineer and the Director; securing of applicable permits by the Sub-lessee; and compliance with such terms and conditions as may be imposed by the Director and the District Engineer as well as any and all applicable laws. Any and all construction shall be at Sub-lessee's expense.
- 5.5 Ownership of all structures, buildings or improvements constructed by Sub-lessee upon the Sub-leased Premises and all alterations, additions or betterment's thereto, shall become the property of the County without compensation being paid therefor, subject to the rights granted to the Sub-lessee hereinabove. Upon termination thereof, whether by expiration of the term, cancellation, forfeiture or otherwise, the Director or the District Engineer of the United States Army Corps of Engineers, Los Angeles District, may require the Sub-lessee to remove said structures, buildings and/or improvements upon written notice ninety (90) days prior to the date of termination of this Sub-lease. Should Sub-lessee fail to remove said structures, buildings and improvements, same may be sold, removed or demolished, and Sub-lessee shall reimburse County for any cost or expense in connection therewith in excess of any consideration received by County as a result of said sale, removal or demolition.

6.0 TERM OF SUB-LEASE

The term of the Sub-Lease shall be for a period of seven (7) years commencing on the first day of the month following the approval of this Sub-lease by the Board of Supervisors.

7.0 CONSIDERATION

- 7.1 In consideration for the Use Granted pursuant to Section 4 hereinabove, Sub-lessee shall pay the County a monthly amount that shall be equal to the greater of: (1) the sum of percentage of the Monthly Gross Receipts plus an additional race fee as hereinafter

provided in 7.1(a), below, or (2) the monthly minimum amount of Five Hundred Dollars (\$500.00).

a) i. The percentages to be used in determining the percentage rental payments during the term of this Sub-lease shall be:

- Two percent (2%) of monthly gross receipts derived from the sale of pre-packaged food and non-alcoholic beverages, plus
- Two percent (2%) of monthly gross receipts derived from the sale of BMX related merchandise, plus
- Two percent (2%) of monthly gross receipts derived from the repair or rental of BMX related equipment and miscellaneous sales, plus
- Two percent (2%) of monthly gross receipts received from the rental of the BMX facility, its ancillary services, and/or its appurtenant structures.

ii. The additional race fee shall be One Dollar (\$1.00) per participant per race not to exceed Twenty Dollars (\$20) for practice activities and Seventy-Five Dollars (\$75) for all race activities. Said fee shall not be reported as Gross Receipts and therefore shall not be calculated in the percentage rent to be paid to the County.

7.2 With regard to a particular activity not otherwise provided for herein, the Director may authorize, upon approval by the District Engineer and the Board of Supervisors, said activity and establish a minimum amount as payment for the privilege of engaging therein. Said minimum amount shall be reasonable in accordance with the revenue to be generated therefrom.

7.3 Payment shall be made to the Department on or before the fifteenth (15th) day of the calendar month following each month of the term of this Sub-lease. Payment shall be by check or draft and made payable to the County of Los Angeles Department of Parks and Recreation. Payments shall be mailed or otherwise delivered to the Treasurer/Tax

Collector, P.O. Box 54927, Los Angeles, California 90054-0927. A late payment charge of two percent (2%) per month shall be added to any late payment received by the Treasurer/Tax Collector. However, the late payment charge herein provided may be waived, if requested in writing by Sub-lessee, if the Director finds the late payment excusable by reason of extenuating circumstances. At no time during the term of this Sub-lease shall the County be obligated to notify the Sub-lessee of the accumulation of late payment charges.

8.0 CHANGES AND AMENDMENTS

- 8.1 The County's Board of Supervisors or its designee may require the addition and/or change of certain terms and conditions in the Sub-lease during the term of this Sub-lease. The Director reserves the right to add/or change such provisions as required by the County's Board of Supervisors. To implement such orders, an Amendment to the Sub-lease shall be prepared and executed by the Director and Sub-lessee.
- 8.2 Notwithstanding the above, this document may be modified only by further written Sub-lease between the parties. Any such modification shall not be effective unless and until executed by Sub-lessee and in the case of County, until approved by Board of Supervisors.

9.0 ACCOUNTING RECORDS

- 9.1 All sales shall be recorded by means of cash registers which publicly display the amount of each sale and automatically issue a customer's receipt or certify the amount recorded on a sales slip. Said cash registers shall in all cases have locked-in sales totals and transaction counters which are constantly accumulating and which cannot, in either case, be reset. In addition, such cash registers must have a tape located within the register upon which transaction numbers and sales details are imprinted. Beginning and ending cash register readings shall be made a matter of daily record. In the event of a technical or electrical failure of the cash registers, Sub-lessee shall

record by hand all collections, and issue a sequentially pre-numbered customer's receipt in like manner

- 9.2 Sub-lessee shall furnish the Director with a monthly gross receipts report showing the amount payable therefrom to the County. Such a report shall accompany each monthly payment required to be made as provided herein. The monthly reporting period shall be by calendar month rather than monthly anniversary date of the effective date of this Sub-lease. In addition thereto, Sub-lessee shall furnish an annual profit and loss statement and a balance sheet prepared by a person and in a form acceptable to the County. The annual profit and loss statement shall be submitted within sixty (60) days of the close of the calendar year.
- 9.3 Sub-lessee shall maintain a method of accounting which shall, to the satisfaction of the Auditor-Controller, correctly and accurately reflect the gross receipts and disbursements of Sub-lessee in connection with the operation. The method of accounting, including bank accounts, established for said operation shall be separate from the accounting system used for any other business operated by Sub-lessee or for recording Sub-lessee's personal financial affairs. Such method shall include the keeping of the following documents:
- 9.3.1 Regular books of accounting such as general ledgers;
 - 9.3.2 Journals including any supporting and underlying documents such as vouchers, checks, tickets, bank statements, etc.;
 - 9.3.3 State and Federal income tax returns and sales tax returns and checks and other documents providing payment of sums shown which shall be kept in confidence by County;
 - 9.3.4 Cash register tapes (daily tapes may be separated but shall be retained so that from day to day the sales and/or rentals can be identified);
 - 9.3.5 Any other accounting records that the Auditor-Controller deems necessary for proper reporting of receipts;

9.4 All documents, books and accounting records shall be open for inspection and re-inspection at any reasonable time during the term of this Sub-lease and for three (3) years thereafter. In addition, the County may from time to time conduct an audit and re-audit of the books and business conducted by Sub-lessee and observe the operation of the business so that accuracy of the above records can be confirmed. All information obtained in connection with the County's inspection of records or audit shall be treated as confidential information and exempt from the public disclosure thereof to the extent permitted under the California Public Records Act. The County reserves the right to release all documents, books and accounting records provided by the Sub-lessee as necessary for the purpose of providing an annual statement of receipts and expenditures to the District Engineer as required by the County's Lease with the United States.

9.5 In the event that an audit or review conducted by the Auditor-Controller and/or Director finds that, due to Sub-lessee's non-compliance with its obligation to report gross receipts received in connection with its operations authorized herein, an actual loss and/or a projected loss of revenue to County can be determined, Director may, at his option, (1) bill Sub-lessee for said losses, said amount to be paid to County within thirty (30) days following billing therefor unless otherwise specified by Director; and/or (2) use the Security Deposit as provided for herein; and/or, (3) assess liquidated damages. The parties agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of the Sub-lessee to correctly report gross receipts, and a projected loss of revenue due to County. The parties hereby agree that under the current circumstances a reasonable estimate of such damages is One Hundred Dollars (\$100.00) per day for each day of the loss period as determined by County, and that the

Sub-lessee shall be liable to the County for liquidated damages in said amount.

- 9..6 Should the Director find that the additional rental payment due to County exceeds two percent (2%) of the total amount which should have been paid as determined by such review or audit and observation, and there being no reasonable basis for the failure to report and pay thereon, Sub-lessee shall also pay the cost of the audit as determined by County and pay any penalty heretofore provided for the delinquent payments.

10.0 SECURITY DEPOSIT

- 10.1 Prior to the commencement of this Sub-lease, Sub-lessee shall pay to the Director the sum of Three Thousand Dollars (\$3,000.00). In lieu thereof, Sub-lessee may deposit said amount in a bank whose deposits are insured under the Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) or a savings and loan institution whose deposits are insured under Title 4 of the National Housing Act (12 U.S.C. 1724 et seq.), provided that a certificate of deposit is delivered to the Director giving County the exclusive right to withdraw any or all of said amount during the term of this Sub-lease and any extension amendments. Sub-lessee shall be entitled to any and all interest accruing from said certificate of deposit.
- 10.2 Said Deposit shall serve as security for faithful performance of all covenants, promises and conditions assumed herein by Sub-lessee, and may be applied in satisfaction and/or mitigation of damages arising from a breach thereof, including, but not limited to, delinquent payments; correction of maintenance deficiencies; securing required insurance; loss of revenue due to abandonment, vacation or discontinuance of Sub-lessee's operation; discrimination; refunding of deposits for scheduled future events which are required to be canceled due to abandonment, vacation or discontinuance of Sub-lessee's operation ; a breach of obligations assumed by Sub-lessee herein with

respect to the requirements therefore by County, including the payment of mechanic's liens. Application of amounts on deposit in satisfaction and/or mitigation of damages shall be without prejudice to the exercise of any other rights provided herein or by law to remedy a breach of this Sub-lease.

10.3 In the event any or all of said amount is applied in satisfaction and/or mitigation of damages Sub-lessee shall immediately deposit such sums as are necessary to restore the Security Deposit to the full amount required hereunder.

10.4 Said Deposit shall be returned to Sub-lessee upon termination of this Sub-lease less any amounts that may be withheld therefrom by County as heretofore provided.

11.0 DESTRUCTION OF THE SUB-LEASED PREMISES AND/OR WHITTIER NARROWS RECREATION AREA

11.1 In the event the sub-leased premises shall be totally or partially destroyed by a risk covered by the insurance coverage required herein, Sub-Lessee shall either restore the premises or terminate this Sub-lease. If the destruction is from a risk for which coverage is not required or provided under said policy of insurance, County shall either restore the premises or terminate this Sub-lease. County shall make the loss adjustment with the insurance company insuring the loss and receive payment of the proceeds of insurance. Said insurance proceeds, if any, shall be held for the benefit of Sub-Lessee only in the event of an election by Sub-Lessee to restore the premises and shall be disbursed in installments as construction progresses for payment of the costs of restoration upon satisfactory performance of the work required, as evidenced by certification of completion by the Director and release of mechanic's liens by all persons furnishing labor and materials thereon. If the proceeds of insurance are insufficient to pay the actual costs of restoration, Sub-Lessee shall deposit the amount of the deficiency with the County upon demand therefor by the Director,

and said sums shall be held for payment of said costs and disbursed in the manner heretofore provided. Any undistributed funds shall be retained by County and credited to the rental reserved over the remaining term of this Sub-lease. In the event Sub-Lessee elects to restore the sub-leased premises, plans, specifications, and construction cost estimates for the restoration thereof shall be prepared by Sub-Lessee and forwarded to Director and District Engineer for approval prior to the performance of any work thereon. Said documents shall be prepared and submitted in a timely manner following adjustments of the loss and receipt of the proceeds of insurance by County. The required construction shall be performed by Sub-Lessee and/or licensed and bondable contractor(s) thereof who shall be required to carry comprehensive liability and property damage insurance, workers' compensation insurance, and standard fire, and extended coverage insurance, with vandalism and malicious mischief endorsements, during the period of construction, in amounts equal to the insurance limits required herein, or as otherwise determined by the County. Said construction shall be commenced promptly following the approval thereof by the Director and the District Engineer, issuance of permits therefor by governmental agencies having jurisdiction thereover, and posting of the construction site by County with notice of non-responsibility, and shall be diligently prosecuted to completion. All work shall be performed in accordance with the approved plans and specifications, unless changes therein are approved in advance thereof by Director and the District Engineer. Sub-Lessee agrees that County may have on the site at any time during the construction period an inspector who shall have the right of access to the sub-leased premises and the work occurring thereon. Sub-Lessee, at the commencement of the construction work, shall notify Director in writing of the identity, place of business, and telephone number of responsible person(s) in charge of the construction to be occurring thereon. All

construction shall be performed in a good and workmanlike manner. Upon completion of the restoration, Sub-Lessee shall immediately record a notice of completion with the Registrar-Recorder.

- 11.2 If the premises are restored, this Sub-lease shall continue in full force and effect, except that the payment to be made by Sub-Lessee shall be abated and/or other relief afforded to the extent that the Director may determine the damage and/or restoration interferes with the sub-leased operation provided a claim therefor is filed with the Director within one hundred (100) days of notice of election to restore the premises. Any such claim shall be denied if the destruction of the sub-leased premises is found by the Director to have been caused by the fault or neglect of Sub-Lessee. Sub-Lessee agrees to cooperate in the determination of the abatement and/or other relief to be provided by furnishing all information requested relative to the sub-leased operation, and permitting examination and audit of all accounting records kept in connection with the conduct thereof.
- 11.3 Sub-Lessee shall cooperate in the restoration of the sub-leased premises by vacating and removing therefrom all items of inventory, trade fixtures, equipment and furnishings for such periods as are required for the restoration thereof.
- 11.4 The aforesaid provisions for abatement and/or other relief shall also be applicable to a total or partial destruction of Whittier Narrows Dam Recreational Area by the aforementioned causes, except that the relief to be provided shall be based upon the extent the Director may determine that the reduction in the public's use of said park due to the partial or total closure thereof has affected the sub-lease.
- 11.5 Sub-Lessee agrees to accept the remedy heretofore provided in the event of a destruction of the sub-leased premises and/or Whittier Narrows Dam Recreational Area and hereby waives any and all additional rights and remedies for relief or compensation that are

presently available or may hereafter be made available under the laws and statutes of this State.

12.0 CONSTRUCTION BY COUNTY AFFECTING SUB-LEASED PREMISES AND/OR WHITTIER NARROWS RECREATION AREA

- 12.1 In the event County shall construct or cause construction within the Sub-leased Premises, this Sub-lease shall continue in full force and effect, except that the payments to be made by Sub-lessee shall be abated and/or other relief afforded to the extent that the County may determine the construction interferes with the authorized operations, provided a claim therefor is filed with the Director within one hundred (100) days of commencement of construction.
- 12.2 Sub-lessee agrees to cooperate with County in the event the construction affects the Sub-leased Premises by vacating and removing therefrom all items of inventory, trade fixtures, equipment and furnishings for such periods as are required by the construction of the new facilities. Sub-lessee further agrees to cooperate in the determination of the abatement and/or other relief to be provided by furnishing all information requested relative to the operation and permitting examination and audit of all accounting records kept in connection with the conduct thereof.
- 12.3 Following completion of the new facility, Sub-lessee shall resume its operations therefrom within thirty (30) days of written notice from the Director that the Sub-leased premises are tenantable.
- 12.4 The aforementioned provisions of this section shall also be applicable in the event of performance of work at the Whittier Narrows Recreation Area that requires a partial or total closure thereof, except that the abatement and/or other relief to be provided shall be based upon the extent the Director may determine that the reduction in the public's use of the Sub-leased Premises due to the partial or total closure thereof, has affected the Sub-lessee's operations.

- 12.5 Sub-lessee agrees to accept the remedy heretofore provided in the event of construction upon the Sub-leased Premises and/or the Whittier Narrows Recreation Area, and hereby waives any and all additional rights and remedies for relief or compensation that are presently available or may be made available hereafter under the laws and statutes of this State.

13.0 OPERATING RESPONSIBILITIES

13.1 Advertising and Publicity Materials

13.1.1 Sub-lessee shall not, nor shall it authorize another to promulgate or cause to be distributed any advertising or publicity materials unless prior written approval thereof is obtained from District Engineer and Director. Said approval shall not be unreasonably withheld or delayed. Such materials shall include, but are not limited to: advertising in newspapers, magazines and trade journals, the internet, and radio and/or television commercials.

13.1.2 In recognition of the Sub-lessee's need to identify its services and related clients to sustain itself, the County shall not prohibit the Sub-lessee from publishing in any of its bids, proposals, and sales materials that it has been awarded this Sub-lease by the County of Los Angeles, with the understanding that such materials are to be prepared in a professional manner, and that the materials are subject to the requirements of this Subsection 13.1. of this Sub-lease.

13.1.3 Credit for the County

Sub-lessee agrees that any advertising or promotional materials promulgated by Sub-lessee, which contains the words "Whittier Narrows Recreation Area", or any derivative thereof, shall also include the phrase "a United States Army Corp of Engineer facility and unit of the County of Los Angeles Department of Parks and Recreation System" with the County

seal and the United States Army Corp of Engineers and Parks and Recreation Department logos, unless specifically approved otherwise by the District Engineer and Director.

13.2 Compliance with Laws, Rules and Regulations

Sub-lessee shall conform to and abide by all municipal and County ordinances, and all State and Federal laws and regulations, insofar as the same or any of them are applicable; and where permits and/or licenses are required for the Sub-lease, any related activity, and/or construction authorized herein, the same must be first obtained from the regulatory agency having jurisdiction thereover. Further, Sub-lessee shall conform to and abide by all rules and regulations and policies of the County's Board of Supervisors, the Director of the Department of Parks and Recreation, and any other County agencies insofar as the same or any of them are applicable.

13.3 Sub-lessee's Staff and Employment Practices

13.3.1 Sub-lessee shall maintain adequate and proper staff for its authorized operations. Sub-lessee shall designate an Operations Manager with whom County may deal with on a daily basis. Any person selected by Sub-lessee as an Operations Manager shall be skilled in the management of businesses similar to the operation and shall be subject to approval by the Director. The Operations Manager shall devote substantial time and attention to the operations authorized herein and render such services and convenience to the public as are required. The Operations Manager shall be fully acquainted with the operation, familiar with the terms and the conditions prescribed therefor by this Sub-lease, and authorized to act in the day-to-day operation thereof.

13.3.2 The Director may at any time give Sub-lessee written notice to the effect that the conduct or action of a designated employee of Sub-lessee is, in the reasonable belief of the Director,

detrimental to the interest of the public patronizing the Sub-leased Premises. Sub-lessee shall transfer or reassign any such employee within a reasonable period of time following notice thereof from the Director, and such employee shall not be assigned to any other County Department of Parks and Recreation facility.

- 13.3.3 The Sub-lessee warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this Sub-lease meet the citizenship or alien status requirements set forth in Federal and State statutes and regulations. The Sub-lessee shall obtain, from all employees performing work hereunder, all verification and other documentation of employment eligibility status required by Federal and State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, (P.L. 99-603), or as they currently exist and as they may be hereafter amended. The Sub-lessee shall retain all such documentation for all covered employees for the period prescribed by law. The Sub-lessee shall indemnify, defend and hold harmless, the County, the United States Army Corps of Engineers, and the County of Los Angeles Flood Control District, its agents, officers, and employees from employer sanctions and any other liability which may be assessed against the Sub-lessee or County or both in connection with any alleged violation of any Federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing work under this Sub-lease.

13.4 Days and Hours of Operation

The Sub-leased Premises will be open to the public, Tuesday, Thursday and Saturday, three (3) days per week except during periods

of inclement weather. Sub-lessee shall post hours of operation in a visible location. The Sub-leased Premises shall be closed on those holidays when the Whittier Narrows Recreation Area is traditionally closed, and during large special events, such as Cinco de Mayo, conducted by the County at Whittier Narrows. Sub-lessee will be notified ninety (90) days in advance of the special event.

The hours of operation shall be from 5:30 p.m. to 9:00 p.m., Tuesday and Thursday, and Saturday 3:00 p.m. to 9:00 p.m. and closed as provided herein and above. Sub-lessee shall comply with the approved schedule of days and hours of operation unless prior written authorization to deviate from said schedule is obtained from the Director. Sub-lessee shall maintain an answering device in the name of the Sub-lessee and shall respond to any message left by County within a twenty-four (24) hour timeframe.

13.5 Disorderly Persons

Sub-lessee agrees to exercise every reasonable effort to not allow any loud, boisterous or disorderly persons about the Sub-leased Premises.

13.6 Facility Fees and Charges

In accordance with Section 4, Use Granted, the rates that can be charged to the public for races and practices are identified in Exhibit D, County Fees and Charges, which is attached hereto and incorporated herein. Said Fees and Charges are approved and established by the Board of Supervisors and are subject to change by the Board of Supervisors without notice.

13.7 Filming

In the event that any filming is proposed to be conducted on the Sub-leased Premises, Sub-lessee will be required to obtain required filming permits from Film LA Inc. Sub-lessee acknowledges and agrees that certain compliance standards have been developed by the USACE and said standards shall be complied with by Sub-lessee.

13.8 Illegal Activities

Sub-lessee shall not knowingly permit any illegal activities to be conducted upon the Sub-leased Premises.

13.9 Maintenance

13.9.1 General Maintenance

- a) Sub-lessee shall be responsible for maintaining the Sub-leased Premises in good and substantial repair and condition in compliance with all laws applicable thereto, and shall perform all repairs to and replacement of all improvements and equipment thereof. Sub-lessee shall be responsible for interior and exterior painting of the BMX buildings upon written request by the Director; replacing broken window glass; replacing interior lights; repairing plumbing and lighting fixtures; repairing flooring; replacing broken or damaged doors; repairing announcer's tower and starting gate. In addition to these general requirements, Sub-lessee shall perform daily maintenance of the restrooms, snack bar, announcer's tower, track area, spectator area, parking lot and the mowing of the turf areas pursuant to the specifications identified in Exhibit B, attached hereto and incorporated herein by reference. All maintenance shall be commenced within ten (10) days of the need thereof and diligently prosecuted to completion of same, except where the state of disrepair is such that an emergency or hazard is created or there is presence of graffiti within the Sub-leased Premises, in which event there shall be an immediate correction thereof.
- b) County shall be responsible for maintaining the roof; exterior walls (excluding painting); concealed utility lines; heating and air conditioning system; and replacing any fencing and irrigation systems.

c) Notwithstanding, County's responsibility hereinabove, Sub-lessee shall be responsible for repairing damage to the interior and exterior of the facility caused by actions of Sub-lessee, its agents and/or employees including malicious mischief, vandalism or burglary of the Sub-leased Premises.

13.9.2 Maintenance of the track must comply with the safety standards consistent with a nationally known Bicycle Motor Cross (BMX) Association. Sub-lessee shall submit to the Director within ten (10) days after the commencement of this Sub-lease, the operational guidelines of a nationally known BMX Association including but not limited to safety standards, rules and regulations, affiliation and sanctioning agreement and maintenance guidelines for a BMX operation within the Sub-leased Premises.

13.9.3 Default of Maintenance Obligations

Either party may cure the default of the other party hereto with respect to the maintenance obligations assumed herein, and upon performance thereof shall acquire a right of reimbursement therefrom for the actual costs of same, including, but not limited to, the cost of labor, materials and equipment furnished in the correction thereof, provided there is prior mutual Sub-lease between Director and Sub-lessee upon the nature and scope of the work to be performed and the costs to be incurred thereby. Any demand of County for reimbursement hereunder shall be satisfied by Sub-lessee through payment of the sums deposited with County as security for faithful performance, and/or pro rata monthly installments over the remaining term of this Sub-lease, commencing with the month next succeeding the date of completion of the maintenance performed. Any demand of

Sub-lessee for reimbursement hereunder shall be satisfied by County through a credit against the monthly rental obligation of Sub-lessee, commencing with the month next succeeding the date of completion of the maintenance performed, and for each and every other month of the remaining term of this Sub-lease, until a total credit has been provided up to the lesser of the actual costs of cure or the rental reserved over said remaining term. County and Sub-lessee waive all rights to payment on their respective rights to reimbursement for the actual costs of the cure of the default of the other with respect to the maintenance obligations assumed herein, except in the manner and amounts heretofore provided.

13.10 Merchandise

Sub-lessee shall provide and maintain an inventory of merchandise and goods required to meet the needs of the public therefor. No adulterated, misbranded or impure articles shall be sold or kept for sale by Sub-lessee and all merchandise kept on hand by Sub-lessee shall be stored and handled with due regard for safety and sanitation. In the event that the Director determines that any merchandise and/or food products are below first class, the Director shall have the right to order the improvement of the quality of any such items kept or offered for sale. The Director shall have the right to prohibit the sale or rental of any item of merchandise on finding(s) that the item is of inferior quality and/or that the item is not necessary for proper service to the public.

13.11 Non-Interference

Sub-lessee shall not interfere with the public use of and the programming within the Whittier Narrows Recreation Area.

13.12 Parking/Traffic Control

Sub-lessee, at its sole cost and expense, shall be responsible for managing, controlling, supervising, and providing sufficient staff for all vehicles entering and parking within the Whittier Narrows Dam Recreational Area for purposes of attending competitive/championship races.

13.13 Prices

Sub-lessee shall at all times maintain and post a complete list or schedule of the prices collected for all fees, charges, goods, rentals, and services, or combinations thereof, supplied to the public on or from the Sub-leased premises. The Director hereby reserves the right to review and approve said fees and any increase requires prior approval from Director. Said prices shall be fair and reasonable and based upon the following considerations: that the Use Granted is intended to serve the needs of the public for the goods and/or services supplied at a fair and reasonable cost; comparability with prices charged for similar goods and/or services supplied in the Los Angeles Metropolitan Area; and reasonableness of profit margin in view of the cost of providing same in compliance with the obligations assumed in this Sub-lease. In the event the Director notifies Sub-lessee that prices being charged are not fair and reasonable, Sub-lessee shall have the right to confer with the Director and justify said prices. Following reasonable conference and consultation thereon, Sub-lessee shall make such price adjustments as may be ordered by the Director.

13.14 Programmed Events – Use of Facility

Sub-lessee shall not promote or sponsor private or public events requiring the use of any other areas within the Whittier Narrows Recreation Area. However, this provision shall not prohibit Sub-lessee from generally advertising or encouraging public use of the Whittier Narrows Recreation Area.

13.15 Quality of Services

Service to the public is of prime concern to County and is considered a part of the consideration for this Sub-lease. Therefore, Sub-lessee agrees to operate and conduct its operation in a first-class manner, providing similar activities, programs and services. Sub-lessee, following receipt of written notification therefore, shall immediately withdraw or remove from sale any goods, services, and/or merchandise which may be found objectionable to the Director based on findings that the provision of such terms are not in the best interest of the public welfare.

13.16 Quality of Food and Non-Alcoholic Beverages

13.16.1 Sub-lessee shall obtain a valid health permit and shall furnish and dispense pre-packaged foods and non-alcoholic beverages of the best quality and shall maintain a high standard of services at least equal to that of similar facilities and programs conducted on County parks and/or adjacent communities and to those prevailing in such areas for similar products and services, and without discrimination. All foods and non-alcoholic beverages sold or kept for sale by Sub-lessee shall be first-class in quality, wholesome and pure, stored and handled with due regard for sanitation, and in all respects shall conform to the Federal, State and County food laws, ordinances and regulations. No adulterated, misbranded or impure products shall be sold or kept for sale by Sub-lessee.

13.16.2 Sub-lessee shall not employ as a member of its food and non-alcoholic beverage staff any person who cannot produce a certificate showing that within the last two (2) years, such person has been examined and has been found to be free of communicable tuberculosis. Thereafter, those employees whose skin test is negative shall be required to undergo the foregoing examination at least once every four

(4) years for so long as the employee remains skin test negative. Once an employee has documented positive skin test which has been followed by X-ray, the forgoing examination is no longer required and a referral shall be made within thirty (30) days of the examination to the County's health officer to determine the need for follow-up care. "Certificate" means a document signed by the examining physician and surgeon who is licensed under Chapter 5 (commencing with Section 2000), Division 2 of the California Business and or a notice from a public health agency or unit of the Tuberculosis Association that indicates freedom from active tuberculosis.

13.17 Safety

13.17.1 Sub-lessee shall immediately correct any unsafe condition of the Sub-leased Premises, as well as comply with all applicable safety laws. Sub-lessee shall cooperate and comply fully with County, state, federal or any other regulatory agency having jurisdiction thereover regarding any safety inspections and certifications of any and all Sub-lessee's structures, enclosures, vehicles and/or equipment.

13.17.2 Sub-lessee shall obtain emergency medical care for any member of the public who is in need thereof, because of illness or injury occurring on the Sub-leased Premises and shall cooperate fully with County in the investigation of any accidental injury or death occurring on the Sub-leased Premises. Sub-lessee shall submit a report within twenty-four (24) hours to the Director of any accidental injury or death.

13.17.3 Inclement Weather

Sub-lessee shall make an assessment of track and premises to determine if safe for use by the public.

13.18 Sanitation

No offensive matter or refuse, or substance constituting an unnecessary, unreasonable or unlawful fire hazard, or material detrimental to the public health, shall be permitted or remain on the Sub-leased Premises. Sub-lessee shall prevent the accumulation of trash and debris for a distance of fifty (50) feet from the Sub-leased Premises. Sub-lessee shall provide that all refuse is collected as often as necessary, and in no case less than once a week, and shall pay all charges which may be made for the removal thereof. Sub-lessee shall furnish all equipment and materials necessary, including trash receptacles of the size, type, color and number required by the Director, to maintain the Sub-leased Premises and the area within a distance of fifty (50) feet thereof in a sanitary condition. Public restrooms shall be cleaned on a daily basis.

13.19 Security Devices

Sub-lessee, at its own expense, may provide any legal devices or equipment and the installation thereof, designated for the purpose of protecting the Sub-leased Premises from theft, burglary or vandalism, provided written approval for the installation thereof is first obtained from the Director.

13.20 Signs

Sub-lessee shall not post signs upon Sub-leased Premises or improvements thereon unless prior approval thereof is obtained from the Director. Signs shall also be subject to review and control by the District Engineer in accordance with the master lease.

13.21 Trade Fixtures

Sub-lessee shall provide and install all appliances, furniture, fixtures and equipment that are required for the Use Granted as provided for hereinabove. During the last thirty (30) days preceding the termination of this Sub-lease, Sub-lessee shall remove same from the

Sub-leased Premises, other than for those items of personality, which have been furnished by County or so affixed that their removal therefrom cannot be accomplished without damage to the realty. Should Sub-lessee fail to so remove said appliances, furniture, fixtures, equipment, door locks and padlocks within said thirty (30) day period, Sub-lessee shall lose all right, title and interest in and thereto, and County may elect to keep same upon the Sub-leased Premises or to sell, remove or demolish same. Sub-lessee shall reimburse County for any and all costs, as determined by the Director, incurred in excess of any consideration received from the sale, removal or demolition thereof.

13.22 Utilities

County shall provide and pay for only electricity, gas and water utilities serving the Sub-leased Premises; all other utilities, including telephone service, needed to serve the sub-leased premises, must be provided and paid for by the Sub-lessee. The telephone number shall be placed in the name of the Sub-lessee and shall not be transferred to any other location. Sub-lessee waives any and all claims against County for compensation for loss or damage caused by a defect, deficiency or impairment of any utility system, water system, water supply system, drainage system, waste system, heating or gas system, electrical apparatus or wires serving the Sub-leased Premises. Sub-lessee shall make every reasonable effort in its operation to minimize County's costs for utilities. Sub-lessee shall not in any way alter or modify any of the County's utilities systems and/or equipment.

14.0 TERMS AND CONDITIONS

14.1 SUB-LEASE ENFORCEMENT

14.1.1 The Director shall be responsible for the enforcement of this Sub-lease on behalf of County and shall be assisted therein

by those officers and employees of County having duties in connection with the administration thereof.

14.1.2 Any officers and/or authorized employees of County may enter upon the Sub-leased Premises at any and all reasonable times for the purpose of determining whether or not Sub-lessee is complying with the terms and conditions hereof, or for any other purpose incidental to the rights of County within the Sub-leased Premises.

14.1.3 In the event County commences legal proceedings for the enforcement of this Sub-lease or recovery of the Sub-leased Premises herein, Sub-lessee does hereby agree to pay any sum which may be awarded to the County by the Court for attorney's fees and costs incurred in the action brought thereon.

14.2 COMPLAINTS

The Sub-lessee shall develop, maintain and operate procedures for receiving, investigating and responding to complaints.

14.2.1 Within ten (10) business days after the effective date, the Sub-lease, Sub-lessee shall provide the Director with a policy for receiving, investigating and responding to user complaints.

14.2.2 The Director will review the Sub-lessee's policy and provide the Sub-lessee with approval of said plan or with requested changes.

14.2.3 If the Director requests changes in the Sub-lessee's policy, the Sub-lessee shall make such changes and resubmit the plan within five (5) business days for Director's approval.

14.2.4 If, at any time, the Sub-lessee wishes to change the Sub-lessee's policy, the Sub-lessee shall submit proposed changes to the Director for approval before implementation.

- 14.2.5 The Sub-lessee shall preliminarily investigate all complaints and notify the Director of the status of the investigation within five (5) business days of receiving the complaint.
- 14.2.6 When complaints cannot be resolved informally, a system of follow-through shall be instituted which adheres to formal plans for specific actions and strict time deadlines.
- 14.2.7 Copies of all written responses shall be sent to the Director within three (3) business days of mailing to the complainant.

14.3 CANCELLATION

- 14.3.1 Upon the occurrence of any one or more of the events of default hereinafter described hereinafter in Paragraph 14.12, this Sub-lease shall be subject to cancellation. As a condition precedent thereto, the Director shall give Sub-lessee ten (10) days notice by registered or certified mail of the date set for cancellation thereof; the grounds therefore; and that an opportunity to be heard thereon will be afforded on or before said date, if request is made therefor.
- 14.3.2 Upon cancellation, County shall have the right to take possession of the Sub-leased Premises, including all improvements, equipment, and inventory located thereon, and use same for the purpose of satisfying and/or mitigating all damages arising from a breach of this Sub-lease.
- 14.3.3 Action by County to effectuate a cancellation and forfeiture of possession shall be without prejudice to the exercise of any other rights provided herein or by law to remedy a breach of this Sub-lease.
- 14.3.4 Any trustee, beneficiary, mortgagee or lender (hereinafter: Lender) under a hypothecation or mortgage previously approved by the Director shall have the right at any time during the term of this Sub-lease to undertake any and all action that may be required in order to prevent a cancellation

of this Sub-lease and a forfeiture of the Use Granted. Accordingly, the Director shall send a copy of any intended cancellation of this Sub-lease to any such Lender whose security would be affected thereby, provided that such Lender shall have previously registered with the Director by written notice specifying the name and address of said Lender; and upon request thereof for postponement, extend the date set therefor by such time as the Director finds reasonable in order to allow said parties to correct the grounds therefor or to provide a new Sub-lessee under a power of sale or foreclosure contained in the hypothecation or mortgage, who upon transfer thereto shall become responsible for the correction thereof within such time as may be allowed by the Director.

14.3.5 In the event that, following service of the Notice of Cancellation of this Sub-lease under the provisions of this clause, it is determined for any reason that the Sub-lessee was not in default under the provisions of this clause, that the default was excusable under provisions of this clause, or Sub-lessee has, to the satisfaction of the Director, cured any default, the Director shall issue, within five (5) business days, a rescission of the Notice of Cancellation, and the rights and obligations of the parties shall be the same as if the Notice of Cancellation had not been issued.

14.4 COMPLIANCE WITH CIVIL RIGHTS LAW

The Sub-lessee hereby assures that it will comply with Subchapter VII of the Civil Rights Act of 1964, 42 USC Sections 2000 (e) (1) through 2000 (e) (17), to the end that no person shall, on the grounds of race, creed, color, sex, religion, ancestry, age, condition of physical handicap, marital status, political affiliation, or national origin, be excluded from participation in, be denied the benefits of, or be

otherwise subjected to discrimination under this Sub-lease or under any project, program, or activity supported by this Sub-lease. The Sub-lessee shall comply with Exhibit G, Sub-lessee's EEO Certification.

14.5 SUB-LESSEE'S ACKNOWLEDGEMENT OF COUNTY'S COMMITMENT TO CHILD SUPPORT ENFORCEMENT

Sub-lessee acknowledges that County places a high priority on the enforcement of child support laws and the apprehension of child support evaders. Sub-lessee understands that it is County's policy to encourage all County contractors to voluntarily post County's "L.A.'s Most Wanted: Delinquent Parents" poster in a prominent position at Sub-lessee's place of business. County's District Attorney will supply Sub-lessee with the poster to be used.

14.6 SUB-LESSEE'S ACKNOWLEDGEMENT OF COUNTY'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW

The Sub-lessee acknowledges that the County places a high priority on the implementation of the Safely Surrendered Baby Law. The Sub-lessee understands that it is the County's policy to encourage all County Contractors to voluntarily post the County's "Safely Surrendered Baby Law" poster in a prominent position at the Sub-lessee's place of business. The Sub-lessee will also encourage its subcontractors, if any, to post this poster in a prominent position in the subcontractor's place of business. The County's Department of Children and Family Services will supply the Sub-lessee with the poster to be used.

14.7 SUB-LESSEE'S NON-COMPLIANCE AND LIQUIDATED DAMAGES

14.7.1 In the event the Director determines that there are deficiencies in Sub-lessee's operations authorized and required herein, the Director will provide, as specified herein in the section of this Sub-lease entitled Events of Default, a written notice to the Sub-lessee to correct said deficiencies within specified time frames.

14.7.2 In the event that Sub-lessee fails to correct the deficiencies within the prescribed time frames the Director may, at his option: (1) use the Security Deposit as provided for herein, (2) exercise its rights under the Sub-Section 14.27 (Right of Entry) and/or (3) assess liquidated damages. The parties agree that it would be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of the Sub-lessee to comply with the obligations for Use Granted herein authorized and required. The parties hereby agree that under the current circumstances a reasonable estimate of such damage is \$250.00 per day for each day of the period of time that the deficiencies exist, and that Sub-lessee shall be liable to County for liquidated damages in said amount.

14.8 SUB-LESSEE RESPONSIBILITY AND DEBARMENT

14.8.1 Responsible Sub-lessee

A responsible Sub-lessee is a Sub-lessee who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the Sub-lease. It is the County's policy to conduct business only with responsible Sub-lessees.

14.8.2 Chapter 2.202 of the County Code

The Sub-lessee is hereby notified that, in accordance with Chapter 2.202 of the County Code, if the County acquires information concerning the performance of the Sub-lessee on this or other Sub-leases which indicates that the Sub-lessee is not responsible, the County may, in addition to other remedies provided in the Sub-lease, debar the Sub-lessee from bidding or proposing on, or being awarded, and/or performing work on County agreements for a specified period of time, which generally will not exceed five

years but may exceed five years or be permanent if warranted by the circumstances, and terminate any or all existing agreements the Sub-lessee may have with the County.

14.8.3 Non-responsible Sub-lessee

The County may debar a Sub-lessee if the Board of Supervisors finds, in its discretion, that the Sub-lessee has done any of the following: (1) violated a term of an agreement with the County or a nonprofit corporation created by the County, (2) committed an act or omission which negatively reflects on the Sub-lessee's quality, fitness or capacity to perform an agreement with the County, any other public entity, or a nonprofit corporation created by the County, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County or any other public entity.

14.8.4 Contractor Hearing Board

1. If there is evidence that the Sub-lessee may be subject to debarment, the Department will notify the Sub-lessee in writing of the evidence which is the basis for the proposed debarment and will advise the Sub-lessee of the scheduled date for a debarment hearing before the Contractor Hearing Board.
2. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Sub-lessee and/or the Sub-lessee's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative

proposed decision, which shall contain a recommendation regarding whether the Sub-lessee should be debarred, and, if so, the appropriate length of time of the debarment. The Sub-lessee and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.

3. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.
4. If a Sub-lessee has been debarred for a period longer than five (5) years, that Sub-lessee may after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the Sub-lessee has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of the County.
5. The Contractor Hearing Board will consider a request for review of a debarment determination only where (1) the

Sub-lessee has been debarred for a period longer than five (5) years; (2) the debarment has been in effect for at least five (5) years; and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.

6. The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

14.8.5 Subcontractors of Sub-lessee

These terms shall also apply to Subcontractors of County Sub-lessees.

14.9 SUB-LESSEE'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM

- 14.9.1 Sub-lessee acknowledges that County has established a goal of ensuring that all individuals who benefit financially from County through this Sub-lease are in compliance with

their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

- 14.9.2 As required by County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting Sub-lessee's duty under this Sub-lease to comply with all applicable provisions of law, Sub-lessee warrants that it is now in compliance and shall during the term of this Sub-lease maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or District Attorney Notices of Wage and Earnings Assignment for child or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

14.10 CONFLICT OF INTEREST

- 14.10.1 No County employee whose position with the County enables such employee to influence the award of this Sub-lease or any competing Sub-lease, and no spouse or economic dependent of such employee, shall be employed in any capacity by the Sub-lessee or have any other direct or indirect financial interest in this Sub-lease. No officer or employee of the Sub-lessee who may financially benefit from the performance of work hereunder shall in any way participate in the County's approval, or ongoing evaluation, of such work, or in any way attempt to unlawfully influence the County's approval or ongoing evaluation of such work.
- 14.10.2 The Sub-lessee shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be

enacted during the term of this Sub-lease. The Sub-lessee warrants that it is not now aware of any facts that create a conflict of interest. If the Sub-lessee hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to the County. Full written disclosure shall include, but is not limited to, identification of all persons implicated and a complete description of all relevant circumstances.

14.11 COUNTY'S QUALITY ASSURANCE PLAN

The County or its agent will evaluate Sub-lessee's performance under this Sub-lease on not less than an annual basis. Such evaluation will include assessing Sub-lessee's compliance with all Sub-lease terms and performance standards. Sub-lessee deficiencies that County determines are severe or continuing and that may place performance of the Sub-lease in jeopardy if not corrected, will be reported to the Board of Supervisors. The report will include improvement/corrective action measures taken by the County and Sub-lessee. If improvement does not occur consistent with the corrective action measures, County may terminate this Sub-lease or impose other penalties as specified in this Sub-lease.

14.12 EVENTS OF DEFAULT

- 14.12.1 The abandonment, vacation or discontinuance of operations on the Sub-leased Premises for more than five (5) days consecutive days, without approval thereof by the Director.
- 14.12.2 The failure of Sub-lessee to punctually pay or make the payments required herein when due, where the delinquency continues beyond ten (10) days following written notice for payment thereof.
- 14.12.3 The failure of Sub-lessee to operate in the manner required by this Sub-lease, where such failure continues for more

- than ten (10) days after written notice from the Director to correct the condition.
- 14.12.4 The failure to maintain the Sub-leased Premises and the improvements constructed thereon in the state of repair required herein, and in a clean, sanitary, safe and satisfactory condition, where such failure continues for more than ten (10) days after written notice from the Director to correct the condition.
- 14.12.5 The failure of Sub-lessee to keep, perform and observe all of the other promises, covenants, conditions and agreements set forth in this Sub-lease, where such failure continues for more than thirty (30) days after written notice from the Director for correction thereof, provided that where fulfillment of such obligation requires activity over a period of time and Sub-lessee shall have commenced to perform whatever may be required to cure the particular default within ten (10) days after such notice and continues such performance diligently, said time limit may be waived in the manner and to the extent allowed by the Director.
- 14.12.6 Determination by the County, the California Fair Employment and Housing Commission, or the Federal Equal Employment Opportunity Commission of discrimination having been practiced by Sub-lessee in violation of State and/or Federal laws thereon.
- 14.12.7 Transfer of the majority controlling interest of Sub-lessee to persons other than those who are in control at the time of the execution of this Sub-lease without approval thereof by the Director.
- 14.12.8 Failure of Sub-lessee to keep, perform and observe all other promises, covenants, conditions and agreements set forth herein.

14.13 FAIR LABOR STANDARDS

The Sub-lessee shall comply with all applicable provisions of the Federal Fair Labor Standards Act and shall indemnify, defend, and hold harmless the County and its agents, officers, and employees from any and all liability, including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs, and attorneys' fees arising under any wage and hour law, including, but not limited to, the Federal Fair Labor Standards Act, for work performed by the Sub-lessee's employees for which the County may be found jointly or solely liable.

14.14 FORCE MAJEURE/TIME EXTENSIONS

14.14.1 Neither party shall be liable for such party's failure to perform its obligations under and in accordance with this Sub-lease, if such failure arises out of fires, floods, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by such party or any of such party's subcontractors), freight embargoes, or other similar events to those described above, but in every such case the failure to perform must be totally beyond the control and without any fault or negligence of such party (such events are referred to in this sub-paragraph as "force majeure events").

14.14.2 Notwithstanding the foregoing, a default by a subcontractor of Sub-lessee shall not constitute a force majeure event, unless such default arises out of causes beyond the control of both Sub-lessee and such subcontractor, and without any fault or negligence of either of them. In such case, Sub-lessee shall not be liable for failure to perform, unless the goods or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit Sub-lessee to meet the required performance schedule. As

used in this sub-paragraph, the term “subcontractor” and “subcontractors” mean subcontractors at any tier.

14.14.3 In the event Sub-lessee's failure to perform arises out of a force majeure event, Sub-lessee agrees to use commercially reasonable best efforts to obtain goods or services from other sources, if applicable, and to otherwise mitigate the damages and reduce the delay caused by such force majeure event.

14.15 GOVERNING LAW, JURISDICTION, and VENUE

This Sub-lease shall be governed by, and construed in accordance with, the laws of the State of California. The Sub-lessee agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Sub-lease and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles.

14.16 INDEPENDENT SUB-LESSEE

This Sub-lease is by and between the County of Los Angeles and Sub-lessee and is not intended, and shall not be construed to create the relationship of agent, servant, employee, partnership, joint venture or association, as between County and Sub-lessee. Sub-lessee understands and agrees that all persons furnishing services on behalf of Sub-lessee pursuant to this Sub-lease are, for purposes of Worker's Compensation Liability, employees solely of Sub-lessee and not of County. Sub-lessee shall bear the sole responsibility and liability for furnishing Workers' Compensation benefits to any person for injuries arising from or connected with services on behalf of Sub-lessee pursuant to this Sub-lease.

14.17 INDEMNIFICATION

Sub-lessee agrees to indemnify, defend and hold harmless County, the United States of America, the United States Army Corps of Engineers, and the County of Los Angeles Flood Control District, their agents,

officers, and employees from and against any and all liability, including but not limited to, demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees), arising from or connected with Sub-lessee's acts and/or omissions arising from and/or relating to this Sub-lease. Sub-lessee's duty to indemnify the County, the United States Army Corps of Engineers, and the County of Los Angeles Flood Control District shall survive the expiration or other termination of this Sub-lease.

14.18 INSURANCE REQUIREMENTS

Without limiting the Sub-lessee's indemnification of the County and during the term of this Sub-lease, the Sub-lessee shall provide and maintain at its own expense, and shall require all of its subcontractors to maintain, the following programs of insurance specified in this Sub-lease. Such insurance is to be provided by an insurance company acceptable to the County with an A.M. Best rating of not less than A:VII, unless otherwise approved by the County. Further, all such insurance shall be primary to and not contributing with any other insurance or self-insurance programs maintained by the County and, with the Exception of Worker's Compensation insurance, shall name the County of Los Angeles, United States of America, United States Army Corps of Engineers and the County of Los Angeles Flood Control District as additional insureds.

14.18.1 Evidence of Insurance:

Certificate(s) or other evidence of coverage satisfactory to County shall be delivered to the Director, Attention: Contracts, Golf and Special Districts Division, 301 North Baldwin Avenue, Arcadia, CA 91007, prior to commencing services under this Sub-lease. Such certificates or other evidence shall:

- a. Specifically identify this Sub-lease.
- b. Clearly evidence all coverages required in this Sub-lease.

- c. Contain the express condition that County is to be given written notice by mail at least thirty (30) days in advance of cancellation for all policies evidenced on the certificate of insurance.
- d. Include copies of the additional insured endorsement to the commercial general liability policy, adding the County of Los Angeles, United States of America, United States Army Corps of Engineers and the County of Los Angeles Flood Control District, its officials, officers and employees as insureds for all activities arising from this Sub-lease.
- e. Identify any deductibles or self-insured retentions for County's approval. The County retains the right to require Sub-lessee to reduce or eliminate such deductibles or self-insured retentions as they apply to County, or, require Sub-lessee to provide a bond guaranteeing payment of all such retained losses and related costs, including, but not limited to, expenses or fees, or both, related to investigations, claims administrations, and legal defense. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

14.18.2 Notification of Incidents, Claims or Suits

Sub-lessee shall report to County:

- a. Any accident or incident relating to services performed under this Sub-lease which involves injury or property damage which may result in the filing of a claim or lawsuit against Sub-lessee and/or County. Such report shall be made in writing within twenty-four (24) hours of occurrence.

- b. Any third party claim or lawsuit filed against Sub-lessee arising from or related to services performed by Sub-lessee under this Sub-lease.
- c. Any injury to a Sub-lessee employee which occurs on County property. This report shall be submitted on a County "Non-employee Injury Report" to the County contract manager.
- d. Any loss, disappearance, destruction, misuse, or theft of any kind whatsoever of County property, monies or securities entrusted to Sub-lessee under the terms of this Sub-lease.

14.18.3 Insurance Coverage Requirements for Subcontractors

Sub-lessee shall ensure any and all subcontractors performing services under this Sub-lease meet the insurance requirements of this Sub-lease by either:

- a. Sub-lessee providing evidence of insurance covering the activities of subcontractors; or
- b. Sub-lessee providing evidence submitted by subcontractors evidencing that subcontractors maintain the required insurance coverage. County retains the right to obtain copies of evidence of subcontractor insurance coverage at any time.

14.19 INSURANCE COVERAGE REQUIREMENTS

14.19.1 Sub-lessee shall provide and maintain, throughout the term of this Sub-lease, the following programs and amounts of insurance:

- a. **General Liability:** Insurance (written on ISO policy form CG 00 01 or its equivalent) with limits of not less than the following:

General Aggregate:	\$5,000,000
Products/Completed	

Operations Aggregate: \$5,000,000
Personal and Advertising Injury: \$5,000,000
Each Occurrence: \$5,000,000

b. **Automobile Liability:** Insurance (written on ISO policy form CA 00 01 or its equivalent) with a limit of liability of not less than ONE MILLION DOLLARS (\$1,000,000) per occurrence. Such insurance shall include coverage for all "owned", "non-owned" and "hired" vehicles, or coverage for "any auto".

c. **Workers Compensation and Employer's Liability:** Insurance providing workers compensation benefits, as required by the Labor Code of the State of California, or any other state, and for which the Sub-lessee is responsible. If Sub-lessee's employees will be engaged in maritime employment, coverage shall provide workers compensation benefits as required by the U.S. Longshore and Harbor Workers' Compensation Act, Jones Act or any other federal law for which Sub-lessee is responsible. In all cases, such insurance shall also include Employer's Liability coverage for all persons providing services on behalf of the Sub-lessee and for all risk to such persons under this Sub-lease with limits of not less than the following:

Each Accident: \$1,000,000
Disease - policy limit: \$1,000,000
Disease - each employee: \$1,000,000

14.19.2 Failure to Procure Insurance

a. Failure by Sub-lessee to procure or maintain the required insurance, or to provide evidence of insurance coverage acceptable to the County, shall constitute a material breach of the Sub-lease upon which County may

immediately terminate or suspend this Sub-lease. County, at its sole option, may obtain damages from Sub-lessee resulting from said breach. Alternatively, County may purchase such required insurance coverage, and without further notice to Sub-lessee, County may deduct from sums due to Sub-lessee any premium costs advanced by County for such insurance.

- b. Notwithstanding the above and in the event that Sub-lessee fails to comply with any of the indemnification or insurance requirements of this Sub-lease, and such failure to comply results in any costs to County, Sub-lessee shall pay full compensation for all costs incurred by County.

14.19.3 Release of Liability: In addition to the above insurance requirements, Sub-lessee shall prepare an agreement and Release of Liability to be executed by the legal guardian of each participant using the BMX facility. This agreement may be kept on file for each participant for one (1) year duration. Said agreement shall be submitted to the Department for review and approval prior to commencement of operations.

14.20 NON-DISCRIMINATION AND AFFIRMATIVE ACTION

14.20.1 The Sub-lessee certifies and agrees that all persons employed by it, it's affiliates, subsidiaries or holding companies are and shall be treated equally without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations.

14.20.2 The Sub-lessee shall certify to and comply with the provisions of Exhibit G, Sub-lessee's EEO Certification.

- 14.20.3 The Sub-lessee shall take affirmative action to ensure that qualified applicants are employed, and that employees are treated during employment, without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations. Such action shall include, but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
- 14.20.4 The Sub-lessee certifies and agrees that it will deal with its subcontractors, bidders and vendors without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation.
- 14.20.5 The Sub-lessee certifies and agrees that it, its affiliates, subsidiaries, or holding companies shall comply with all applicable Federal and State laws and regulations to the end that no person shall, on the grounds of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Sub-lease or under any other project, program, or activity supported by this Sub-lease.
- 14.20.6 The Sub-lessee shall allow County representatives access to the Sub-lessee's employment/volunteer records during regular business hours to verify compliance with the provisions of this Sub-Paragraph 14.20 when so requested by the County.

14.20.7 If the County finds that any provisions of this Sub-Paragraph 14.20 have been violated, such violation shall constitute a material breach of this Sub-lease upon which the County may terminate or suspend this Sub-lease. While the County reserves the right to determine independently that the anti-discrimination provisions of this Sub-lease have been violated, in addition, a determination by the California Fair Employment Practices Commission or the Federal Equal Employment Opportunity Commission that the Sub-lessee has violated Federal or State anti-discrimination laws or regulations shall constitute a finding by County that Sub-lessee has violated the anti-discrimination provisions of this Sub-lease.

14.20.8 The parties agree that in the event Sub-lessee violates the non-discrimination provisions of this Sub-lease, County shall, at its sole option, be entitled to the sum of Five Hundred Dollars (\$500) for each such violation pursuant to California Civil Code 1671 as liquidated damages in lieu of canceling, terminating or suspending this Sub-lease.

14.21 NOTICE TO EMPLOYEES REGARDING FEDERAL EARNED INCOME CREDIT

The Sub-lessee shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice No. 1015, Exhibit E.

14.22 NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW

The Sub-lessee shall notify and provide to its employees, and shall require each subcontractor notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation

in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is set forth in Exhibit F of this Sub-lease and is also available on the Internet at www.babysafela.org for printing purposes.

14.23 NOTICES

Any notice required to be given under the terms of this Sub-lease or any law applicable thereto may be: (1) delivered by personal service; facsimile or email or (2) placed in a sealed envelope, with postage paid, return receipt requested, addressed to the person on whom it is to be served, and deposited in a post office, mailbox, sub-post office, substation or mail chute, or other like facility regularly maintained by the United States Postal Service. The address to be used for any notice served by mail upon Sub-lessee shall be American Bicycle Association, Attention: Mr. John David, 1645 West Sunrise Boulevard, Gilbert, Arizona 85233. The address to be used for any notice served by mail upon County shall be Department of Parks and Recreation, The Arboretum, Research Building, 301 North Baldwin Avenue, Arcadia CA 91007, Attention: Contracts, Golf & Special Districts Division, or such other place as may hereafter be designated in writing to Sub-lessee by the Director. Service by mail; facsimile or email and shall be deemed complete upon deposit in the above mentioned manner.

14.24 PUBLIC RECORDS ACT

14.24.1 Any documents submitted by Sub-lessee; all information obtained in connection with the County's right to audit and inspect Sub-lessee's documents, books, and accounting records pursuant to Paragraph 9.0 of this Sub-lease; as well as those documents which were required to be submitted in response to the solicitation process for this Sub-lease, become the exclusive property of the County. All such documents become a matter of public record and shall be regarded as public records. Exceptions will be those

elements in the California Government Code Section 6250 et seq. (Public Records Act) and which are marked "trade secret", "confidential", or "proprietary". The County shall not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked, if disclosure is required by law, or by an order of court of competent jurisdiction.

- 14.24.2 In the event the County is required to defend an action on a Public Records Act request for any of the aforementioned documents, information, books, records, and/or contents of a proposal marked "trade secret", "confidential", or "proprietary", the Sub-lessee agrees to defend and indemnify the County from all costs and expenses, including reasonable attorney's fees, in any action or liability arising under the Public Records Act.

14.25 RECYCLED BOND PAPER

Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the Sub-lessee agrees to use recycled-content paper to the maximum extent possible on this Sub-lease.

14.26 RIGHT OF ENTRY

- 14.26.1 Any officers and/or authorized employees of the Corps of Engineers and County may enter upon the Sub-leased Premises at any and all reasonable times for the purpose of determining whether or not Sub-lessee is complying with the terms and conditions hereof, or for any other purpose incidental to the rights of the County within the Sub-leased Premises.
- 14.26.2 In the event of an abandonment, vacation or discontinuance of operations for a period in excess of five (5) days, Sub-lessee hereby irrevocably appoints County as an agent for

continuing operation of the use granted herein, and in connection therewith authorizes the officers and employees thereof to (1) take possession of the Sub-leased Premises, including all improvements, equipment and inventory thereon; (2) remove any and all persons or property on said Sub-leased Premises and place any such property in storage for the account of and at the expense of Sub-lessee; (3) sublease or sublicense the Sub-leased Premises; and (4) after payment of all expenses of such subleasing or sublicensing, apply all payments realized therefrom to the satisfaction and/or mitigation of all damages arising from Sub-lessee's breach of this Sub-lease. Entry by the officers and employees of County upon the Sub-leased Premises for the purpose of exercising the authority conferred hereon as agent of Sub-lessee shall be without prejudice to the exercise of any other rights provided herein or by law to remedy a breach of this Sub-lease.

14.26.3 No re-entry or taking of the Sub-leased Premises by County pursuant to Sub-Paragraph 14.26.2 of this section shall be construed as an election to terminate this Sub-lease unless a written notice of such intention is given to Sub-lessee or unless the termination thereof be decreed by a court of competent jurisdiction.

14.27 SEVERABILITY

If any provision of this Sub-lease is determined to be illegal, invalid or unenforceable by a court of competent jurisdiction, the remaining provisions hereof shall not be affected thereby and shall remain in full force and effect.

14.28 SUBLICENSES

14.28.1 Sub-lessee shall not, without the prior written consent of the Director, sublicense any portion of the Sub-leased premises,

or sublicense any of the operation or activities authorized or required by this Sub-lease.

- 14.28.2 In the event the County determines that the Sub-lessee has violated the sublicense provision contained herein, the same shall constitute a material breach of Sub-lease upon which the County may determine to cancel, terminate, or suspend this Sub-lease, or assess liquidated damages. The parties agree that it would be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of the Sub-lessee to comply with the sublicense provision. The parties hereby agree that under the current circumstances a reasonable estimate of such damage is One Thousand Dollars (\$1,000.00) and that the Sub-lessee shall be liable to County for liquidated damages in said amount.

14.29 SURRENDER OF SUB-LEASED PREMISES

- 14.29.1 Upon termination, expiration of the term hereof, or cancellation thereof as herein provided, Sub-lessee shall peaceably vacate the Sub-leased premises and any and all improvements located thereon and deliver up the same to County in a reasonably good condition, ordinary wear and tear excepted, subject to the right of County to demand removal thereof to the extent that Paragraph 5.5 hereinbefore may be applicable thereto.
- 14.29.2 Upon expiration of the term, Sub-lessee shall execute and deliver to County within thirty (30) days after service of written demand, a good and sufficient quitclaim deed of the Sub-lessee's interest in this Sub-lease and the Sub-leased premises. Should Sub-lessee fail or refuse to deliver to County a quitclaim deed as aforesaid, a written notice by County reciting the failure of the Sub-lessee to execute and deliver the quitclaim deed shall, after ten (10) days from the

date of recordation of the notice, be conclusive evidence against Sub-lessee and all persons claiming under Sub-lessee, of the termination of this Sub-lease..

14.30 TAXES AND ASSESSMENTS

Sub-lessee shall also pay all taxes, assessments, fees and charges on goods, merchandise, fixtures, appliances and equipment owned or used therein.

14.31 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN CHILD SUPPORT COMPLIANCE

Failure of Sub-lessee to maintain compliance with the requirements set for in Sub-section 14.9, Sub-lessee's Warranty Of Adherence To County's Child Support Compliance Program, shall constitute a default by Sub-lessee under this Sub-lease. Without limiting the rights and remedies available to County under any other provision of this Sub-lease, failure to cure such default within 90 days of notice by the Los Angeles County District Attorney shall be grounds upon which the County Board of Supervisors may terminate this Sub-lease pursuant to Sub-Section 14.3, Cancellation.

14.32 TERMINATION FOR CONVENIENCE; SUSPENSION

14.32.1 Termination for Convenience. The Sub-lease may be terminated, in whole or in part from time to time, by County or Sub-lessee for whatever reason. Termination of Sub-lease hereunder shall be effected by delivery to Sub-lessee or County of a written notice of termination for convenience from the Director or Sub-lessee specifying the extent to which performance is terminated and the date upon which such termination shall become effective. The date upon which such termination becomes effective shall be no less than one hundred eighty (180) days after notice. In the event of such notice of termination, the District Engineer shall also be notified in writing.

14.32.2 Suspension. County, at its convenience, and without further liability, may suspend Sub-lessee's performance under this Sub-lease, in whole or in part, by written notice to Sub-lessee from the Director specifying the effective date and extent of the suspension. The suspension may take effect immediately without any notice period or opportunity to cure.

14.32.2.1 Sub-lessee shall immediately discontinue all services unless otherwise indicated by Director.

14.32.2.2 In the event the entire Sub-lease is suspended and the period of suspension exceeds one (1) calendar year, this Sub-lease may be deemed terminated for the convenience at the option of either party, upon written notice to the other party.

14.33 TERMINATION FOR IMPROPER CONSIDERATION

14.33.1 County may, by written notice to Sub-lessee, immediately terminate the right of Sub-lessee to proceed under this Sub-lease if it is found that consideration, in any form, was offered or given by Sub-lessee, either directly or through an intermediary, to any County officer, employee or agent with the intent of securing the Sub-lease or securing favorable treatment with respect to the award, amendment or extension of the Sub-lease or the making of any determinations with respect to the Sub-lessee's performance pursuant to the Sub-lease. In the event of such termination, County shall be entitled to pursue the same remedies against Sub-lessee as it could pursue in the event of default by the Sub-lessee.

14.33.2 Sub-lessee shall immediately report any attempt by a County officer, employee or agent to solicit such improper consideration. The report shall be made either to the County manager charged with the supervision of the employee or to

the Auditor-Controller's Fraud Hotline at (800) 544-6861 or to such other number as may be provided to Sub-lessee in writing by County

- 14.33.3 Among other items, such improper consideration may take the form of cash, discounts, service, the provision of travel or entertainment, or tangible gifts.

14.34 TERMINATION FOR INSOLVENCY

14.34.1 The County may terminate this Sub-lease forthwith in the event of the occurrence of any of the following:

- Insolvency of the Sub-lessee. The Sub-lessee shall be deemed to be insolvent if it has ceased to pay its debts for at least sixty (60) days in the ordinary course of business or cannot pay its debts as they become due, whether or not a petition has been filed under the Federal Bankruptcy Code and whether or not the Sub-lessee is insolvent within the meaning of Federal Bankruptcy Code;

14.34.2 To the extent permitted by law, the County may terminate this Sub-lease forthwith in the event of the occurrence of any of the following:

- The filing of a voluntary or involuntary petition regarding the Sub-lessee under the Federal Bankruptcy Code;
- The appointment of a Receiver or Trustee for Sub-lessee; or

14.34.3 The rights and remedies of County provided in this Sub-Section 14.34 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Sub-lease.

14.35 TERMINATION FOR NON-ADHERENCE OF COUNTY LOBBYIST ORDINANCE

Sub-lessee and each County Lobbyist or County Lobbying firm as defined in Los Angeles County Code Section 2.160.010, retained by Sub-lessee, shall fully comply with the County Lobbyist Ordinance, Los Angeles County Code 2.160. Failure on the part of Sub-lessee or any County Lobbyist or County lobbying firm retained by Sub-lessee to fully comply with the County Lobbyist Ordinance shall constitute a material breach of this Sub-lease upon which County may immediately terminate or suspend this Sub-lease.

14.36 TERMINATION UPON TRANSFER OF TITLE OR PARK CLOSURE

14.36.1 Notwithstanding any other provision of this Sub-lease, in the event the County transfers its interest in the Whittier Narrows Recreation Area and the Sub-leased premises to a governmental agency (assignee), the County reserves the right to: terminate this Sub-lease; or provided there is consent by an assignee, assign the County's interest in this Sub-lease to said assignee. County shall provide the Sub-lessee with notice of termination or assignment of this Sub-lease pursuant to this provision.

14.36.2 Notwithstanding any other provision of this Sub-lease, in the event the County closes the Whittier Narrows Recreation Area, this Sub-lease shall be terminated upon the effective date of such closure. Upon the effective date of park closure, Sub-lessee shall immediately cease its operations, and within fifteen (15) days therefrom remove all items of its personal property, equipment, and inventory. County shall provide advance notice to the Sub-lessee of such park closure.

14.37 TRANSFERS

Sub-lessee shall not assign, license, sublicense, hypothecate or mortgage this Sub-lease or any portion of the Sub-lease Premises.

Any attempted assignment, sublicense, hypothecation or mortgage shall be considered a material breach of this Sub-lease.

14.38 WAIVER

14.38.1 Any waiver by County of any breach of any one or more of the covenants, conditions, terms and Sub-leases herein contained shall not be construed to be a waiver of any subsequent or other breach of the same or of any other covenant, condition, term or Sub-lease herein contained, nor shall failure on the part of County to require exact, full and complete compliance with any of the covenants, conditions, terms or agreements herein contained be construed as in any manner changing the terms of this Sub-lease or estopping County from enforcing the full provisions thereof.

14.38.2 No delay, failure, or omission of County to re-enter the Sub-leased Premises or to exercise any right, power, privilege or option, arising from any default, nor any subsequent acceptance of payments then or thereafter accrued shall impair any such right, power, privilege or option, or be construed as a waiver of or acquiescence in such default or as a relinquishment of any right.

14.38.3 No notice to Sub-lessee shall be required to restore or revive "time of the essence" after the waiver by County of any default.

14.38.4 No option, right, power, remedy or privilege of County shall be construed as being exhausted by the exercise thereof in one or more instances. The rights, powers, options and remedies given County by this Sub-lease shall be cumulative.

14.39 WARRANTY AGAINST CONTINGENT FEES

14.39.1 The Sub-lessee warrants that no person or selling agency has been employed or retained to solicit or secure this Sub-lease

upon any Sub-lease or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Sub-lessee for the purpose of securing business.

- 14.39.2 For breach of this warranty, the County shall have the right to terminate this Sub-lease and, at its sole discretion, deduct from the Sub-lease price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

15.0 ENTIRE SUB-LEASE

This document and the Exhibit(s) attached hereto constitute the entire Sub-lease between County and Sub-lessee for the use granted at Whittier Narrows Recreation Area for the operation and maintenance of a BMX facility. All other agreements, promises and representations with respect thereto, other than contained herein, are expressly revoked, as it has been the intention of the parties to provide for a complete integration within the provisions of this document, and the Exhibit(s) attached hereto, the terms, conditions, promises and covenants relating to the operation and maintenance of a BMX facility and the Sub-leased Premises to be used in the conduct thereof. The unenforceability, invalidity, or illegality of any provision of this Sub-lease shall not render the other provisions thereof unenforceable, invalid or illegal.

16.0 AUTHORIZATION WARRANTY

Sub-lessee represents and warrants that the signatory to this Sub-lease is fully authorized to obligate Sub-lessee hereunder and that all corporate acts necessary to the execution of this Sub-lease have been accomplished.

/

IN WITNESS WHEREOF, Sub-Lessee has executed this Sub-lease, or caused it to be duly executed, and the County of Los Angeles, by order of its Board of Supervisors, has caused this Sub-lease to be executed on its behalf by the Chair of said Board and attested to by the Executive Officer-Clerk of the Board of Supervisors thereof, the month, the day and year first above written.

COUNTY OF LOS ANGELES

Don Knabe

By _____
Don Knabe
Chairman, Board of Supervisors

I hereby certify that pursuant to Section 25103 of the Government Code, delivery of this document has been made.

SACHI A. HAMAI
Executive Officer
Clerk of the Board of Supervisors

By *[Signature]*
Deputy

SUB-LESSEE
American Bicycle Association

By *[Signature]*

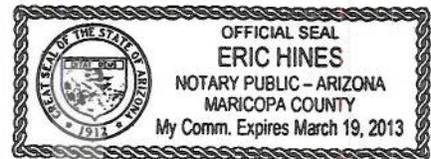
ATTEST:

SACHI A. HAMAI
Executive Officer-Clerk
of the Board of Supervisors
for the County of Los Angeles

By *[Signature]*
Deputy



NOTARY PUBLIC
In witness whereof I have set my hand and official seal
this 19th day of April 2009
STATE OF ARIZONA
COUNTY OF MARICOPA



ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

APPROVED AS TO FORM:

ROBERT E. KALUNIAN

Acting County Counsel

By *Christina A. Salseda*
Christina A. Salseda, Principal Deputy

26 JUN 02 2009

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER
Page 65

No 77006

EXHIBIT A

BOARD OF SUPERVISORS' COPY
DEPARTMENT OF THE ARMY

LEASE

No. DACW09-1-86-43

56198

FOR PUBLIC PARK AND RECREATIONAL PURPOSES

WHITTIER NARROWS FLOOD CONTROL BASIN
LOS ANGELES COUNTY, CALIFORNIA

PROJECT AREA

THE SECRETARY OF THE ARMY under authority of Section 4 of the Act of Congress approved 22 December 1944, as amended (16 U.S.C. 460d), hereby grants to the COUNTY OF LOS ANGELES, a political subdivision of the state of California, hereinafter referred to as Lessee, a lease for a period of fifty (50) years commencing on 1 June 1986, and ending on 31 May 2036, to use and occupy approximately 1,252.04 acres of land and water areas under the primary jurisdiction of the Department of the Army in the Whittier Narrows Project Area, hereinafter referred to as the premises as shown on attached Exhibit "A", numbered 142-K-122.5, dated 11 February 1957, for public park and recreational purposes.

THIS LEASE is granted subject to the following conditions:

1. The lessee shall conform to such regulations as the Secretary of the Army may issue to govern the public use of the project area, and shall comply with the provisions of the above cited Act of Congress. The lessee shall protect the premises from fire, vandalism, and soil erosion, and may make and enforce such regulations as are necessary, and within its legal authority, in exercising the privileges granted in this lease, provided that such regulations are not inconsistent with those issued by the Secretary of the Army or with provisions of the above cited Act of Congress.
2. The lessee shall administer and maintain the premises in accordance with the U.S. Army Engineers' Master Plan and the implementing General Development Plan for the premises and with an Annual Management Program to be mutually agreed upon between the lessee and the U.S. Army District Engineer in charge of the administration of the project, which may be amended from time to time as may be necessary. Such Annual Management Program shall include, but is not limited to, the following:
 - a. Plans for management activities to be undertaken by the lessee or jointly by the U.S. Army Engineers and the lessee, including improvements and other facilities to be constructed thereon.
 - b. Budget of the lessee for carrying out the management activities.
 - c. Personnel to be used in the management of the area.
3. The lessee shall provide the facilities and services necessary to meet the public demand either directly or through concession agreements ^{subleases or licenses} with third parties. All such agreements shall state that they are granted subject to the provisions of this lease and that the concession agreement ^{subleases or licenses} will not be effective until approved by the District Engineer.
4. Admission, entrance or user fees may be charged by the lessee for the entrance to or use of the premises or any facilities constructed thereon, PROVIDED, prior written approval of the District Engineer is obtained.

5. The amount of ~~any~~ and all rates and prices charged by the lessee or its concessionaires for accommodations, food (except packaged goods), and services furnished or sold to the public shall be subject to the prior approval of the District Engineer. The lessee shall, by 15 April and 15 October of each year, submit to the District Engineer for approval a list of the fees, rates and prices proposed for the following 6 months, including justification for any proposed increase or decrease. The District Engineer will give written notice to the lessee of his approval of or objection to any proposed fee, rate or price and will, if appropriate, state an approved fee, rate or price for each item to which an objection has been made. The lessee and/or its concessionaires shall keep a schedule of such fees, rates or prices posted at all times in a conspicuous place on the leased premises.

6. All monies received by the lessee from operations conducted on the premises, including, but not limited to, entrance and admission fees and user fees and rental or other consideration received from its concessionaires, may be utilized by the lessee for the administration, maintenance, operation and development of the premises. Any such monies not so utilized, or programmed for utilization within a reasonable time, shall be paid to the District Engineer at the end of each 5-year period. The lessee shall establish and maintain adequate records and accounts and render annual statements of receipts and expenditures to the District Engineer, except for annual or weekly entrance fees which also are honored at other recreational areas operated by the lessee. The District Engineer shall have the right to perform audits of the lessee's records and accounts, and to require the lessee to audit the records and accounts of third party concessionaires, and furnish the District Engineer a copy of the results of such an audit.

7. All structures shall be constructed and landscaping accomplished in accordance with plans approved by the District Engineer.* Further, the lessee shall not discharge waste or effluent from the premises in such a manner that such discharge will contaminate streams or other bodies of water or otherwise become a public nuisance.

8. The right is reserved to the United States, its officers, agents, and employees, to enter upon the premises at any time and for any purpose necessary or convenient in connection with river and harbor and flood control work, and to remove timber or other material required for such work, to flood the premises when necessary, and/or to make any other use of the land as may be necessary in connection with public navigation and flood control, and the lessee shall have no claim for damages of any character on account thereof against the United States or any agent, officer or employee thereof.

9. Any property of the United States damaged or destroyed by the lessee incident to the exercise of the privileges herein granted shall be promptly repaired or replaced by the lessee to the satisfaction of the District Engineer.

10. The United States shall not be responsible for damages to property or injuries to persons which may arise from or be incident to the exercise of the privileges herein granted, or for damages to the property of the lessee, or for damages to the property or injuries to the person of the lessee's officers, agents, servants, or employees or others who may be on the premises at their invitation or the invitation of any one of them, arising from or incident to the flooding of the premises by the Government or flooding from any other cause, or arising from or incident to any other governmental activities, and the lessee shall hold the United States harmless from any and all such claims.

11. That at the time of the commencement of this lease, the lessee will ^{have in its possession} obtain from a reputable insurance company, acceptable to the Government, liability or indemnity insurance providing for minimum limits of \$100,000.00 per person in any one claim, and an aggregate limit of \$1,000,000.00 for any number of persons or claims arising from any one incident with respect to bodily injuries or death resulting therefrom, and \$250,000.00 for damage to property suffered or alleged to have been suffered by any person or persons resulting from the operations of the lessee under the terms of this lease.

* (7. Continued) it being understood that no permanent type of recreational building or accessory facilities shall be erected on the land below elevation 215 M.S.L., except that open-type structures may be erected between elevations 215 M.S.L. and elevation 210 M.S.L. upon written approval of plans of such structures by the said District Engineer.

NOT APPLICABLE

12. This lease may be relinquished by the lessee at any time by giving to the Secretary of the Army, through the District Engineer, at least 30 days' notice in writing.

13. This lease may be revoked by the Secretary of the Army in the event the lessee violates any of the terms and conditions of this lease and continues and persists therein for a period of 30 days after notice thereof in writing by the District Engineer.

14. On or before the date of expiration of this lease or its relinquishment by the lessee, the lessee shall vacate the premises, remove its property therefrom, and restore the premises to a condition satisfactory to the District Engineer. If, however, this lease is revoked, the lessee shall vacate the premises, remove its property therefrom, and restore the premises as aforesaid within such time as the Secretary of the Army may designate. In either event, if the lessee shall fail or neglect to remove its property and so restore the premises, then its property shall become the property of the United States without compensation therefor, and no claim for damages against the United States or its officers or agents shall be created by or made on account thereof.

15. The lessee or its concessionaires shall not discriminate against any person or persons because of race, creed, color or national origin in the conduct of its operations hereunder. The grantee furnishes as part of this contract an assurance (Exhibit) that he will comply with Title VI of the Civil Rights Act of 1964 (78 Stat. 241) and Department of Defense Directive 5500.11 issued pursuant thereto and published in Part 300 of Title 32, Code of Federal Regulations, and that it will obtain such assurances from all its concessionaires.

16. All notices to be given pursuant to this lease shall be addressed, if to the lessee, to the County of Los Angeles, 433 South Vermont Avenue, Los Angeles, CA 90020, if to the Government, to the District Engineer, U.S. Army Engineer District, L. A., P.O. Box 2711, L.A., CA 90053-2325, ATTN: Real Estate Division. or as may from time to time be directed by the parties. Notice shall be deemed to have been duly given if and when inclosed in a properly sealed envelope or wrapper, addressed as aforesaid and deposited postage prepaid (or, if mailed by the Government, deposited under its franking privilege) in a post office or branch post office regularly maintained by the United States Government.

17. This lease is subject to all existing easements, and easements subsequently granted, for roadways, and utilities located or to be located on the premises, provided that the proposed grant of any easement will be coordinated with the lessee and easements will not be granted which will interfere with developments, present or proposed, by the lessee.

NOTE: Conditions 18-34 are set out on pages 4-7, attached.

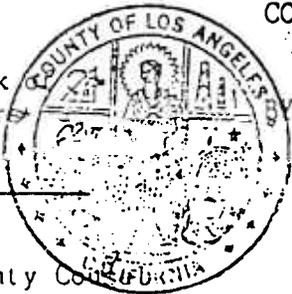
IN WITNESS WHEREOF I have hereunto set my hand this 14th of JUNE, 1988

Gordon M. Hobbs

Gordon M. Hobbs
Assistant for Real Property
OASA(I&L)

The above instrument, together with the provisions and conditions thereof, is hereby accepted this 14th day of April, 1987

ATTEST:
LARRY J. MONTEILH
Executive Officer-Clerk
the Board of Supervisors



COUNTY OF LOS ANGELES

Mark ...
Chairman, Board of Supervisors

BY: *Joyce ...*
Deputy

APPROVED AS TO FORM:
DE WITT W. CLINTON-County Clerk

BY: *Eric R. Young*

NOT APPLICABLE

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

68

APR 14 1987

I hereby certify that pursuant to
Section 25103 of the Government Code,
delivery of this document has been made.

LARRY J. MONTEILH
Executive Officer
Clerk of the Board of Supervisors

Larry J. Monteilh

LARRY J. MONTEILH
EXECUTIVE OFFICER



By *Joyce Harris*
DEPUTY

Secretary of the Army
Lease No. DACW09-1-86-43
Whittier Narrows Flood Control
Basin
Los Angeles County, California
County of Los Angeles

18. That in order to protect the United States and the Los Angeles County Flood Control District and the lessee against claims for damages which might arise out of the use and occupation of said leased premises by persons to whom the lessee may grant concessions, licenses or subleases, the lessee herein agrees to insert a condition in each such concession, or license which it grants pursuant to Condition No. 10 hereof, which shall be in substantially the following form:

The concessionaire, licensee or sublessee, in consideration of the granting of this concession, license or sublease, agrees to hold the United States, the Los Angeles County Flood Control District, and the County of Los Angeles harmless from any and all claims or rights of action for damages which may or might arise or accrue to said concessionaire, licensee or sublessee, his officers, agents, servants, employees, or others who may be on the leased premises at his invitation or the invitation of any one of them, by reason of injuries to the property, or the person of any of them resulting from the entry upon or the use of the leased premises, by the United States, the Los Angeles County Flood Control District, the County of Los Angeles, or any one of them, at any time, for any purpose necessary or convenient in connection with river and flood control work, or for the removal of timber required or necessary for such work, or by reason of the flooding of the leased premises, or any part thereof, when in the judgment of any of them, such flooding is necessary in connection with flood control work.

19. Signed copies of each concession, license or sublease granted by the lessee herein shall be furnished to and filed with the said District Commander.

20. The lessee and its sublessees may conduct such revenue-producing activities as are within the scope of Condition 2 above. Except for timber salvaged and sold by the county when in the way of construction, all sales of forest products will be conducted by the Government and the proceeds therefrom shall not be available to the lessee under the provisions of this lease. Non-price supported crops may be cultivated either directly, or on a share-cropping basis to the extent the crop is required to

Lease No. DACW09-1-86-43
Whittier Narrows FCB
County of Los Angeles

provide food and habitat for wildlife. The Government reserves the right to lease lands covered by this instrument for agricultural or grazing purposes, unless the enhancement of the fish/wildlife habitat is essential to the conservation and development of the premises by the lessee. In the latter event, the sublease will be approved in writing by the Government. The lessee will reserve at least one area at which access to the project may be reached without imposition of fees of any kind. No facilities need be provided at this area by the lessee, but normal maintenance and clean-up will be provided.

21. The rates and prices charged by the lessee or its grantees for revenue-producing activities shall be reasonable and comparable to rates charged for similar goods and services by others in the area and on the reservoir. The Government shall have the right to review such rates and prices and require an increase or reduction where it finds the objective of this condition has been violated.

22. In acting under its rights and obligations hereunder, the lessee agrees to comply with all applicable Federal and State laws and regulations.

23. The lessee shall be responsible for operation, maintenance and replacement without cost to the Government, of all facilities developed on the premises for recreational opportunities. As used in this lease, the term "replacement" shall be construed to mean the replacement in whole or in part of any structures or improvement so worn or damaged by any cause as to no longer adequately serve its designed function with normal maintenance. The lessee shall maintain all lands, waters and facilities on the premises in a manner satisfactory to the Government. If any other property of the Government is damaged or destroyed by the lessee incident to the exercise of the privileges herein granted it shall be promptly repaired or replaced by the lessee to the satisfaction of the Government.

24. The Government or its assignees will operate and maintain those lands, structures, and facilities such as but not limited to the inlet structure, outlet works, service roads and any facilities required for control and regulation of waters passing through the project.

Lease No. DACW09-1-86-43
Whittier Narrows FCB
County of Los Angeles

25. That no human habitation will be permitted on the premises. This will not be construed to prohibit the lessee from providing properly designed and approved guard-stations for night watchman or other patrolmen.

26. That the right is reserved to the United States to renew or enter into leases for agricultural use of any of the lands covered by this lease and not being developed by the lessee for park and recreational purposes, pending written notice by the lessee to the District Commander prior to 1 July of any given year of its desire to develop such lands for said purposes, such desired lands to be generally contiguous to lands already developed for park and recreational purposes, and the District Commander shall terminate or modify said agricultural leases, effective 31 December of the year notice is given.

27. That the right is hereby reserved to the United States to conduct sales of its remaining surplus improvements on unimproved land within the demised premises and to construct, or to permit the construction of, facilities for military requirements and for communications, electrical distribution or transmission, water supply, flood channels, sewage disposal and similar purposes on the premises, and the lessee shall have no claim for compensation or damages of any character on account thereof.

28. That the lessee shall not permit on the premises gambling or any games of chance, or install or operate, or permit to be installed and operated, any devices where money is exchanged for money, or any devices or concessions which are contrary to good morals or are otherwise objectionable.

29. That it is understood that this instrument is effective only insofar as the rights of the United States in the property covered by this lease are concerned, and the lease shall obtain such permission as may be necessary on account of any other existing rights.

30. That the United States acquired no mineral rights within the leased area and nothing within this lease shall be construed to indicate that the United States, in granting this lease prohibits drilling or exploration work by owners of mineral rights or their lessees.

31. That any and all references to the term District Engineer is changed to read District Commander.

Lease No. DACW09-1-86-43
Whittier Narrows FCB
County of Los Angeles

32. The lessee shall not unlawfully pollute the air, ground, or water or create a public nuisance. The lessee shall at no cost to the United States promptly comply with present and future Federal, state and local laws, ordinances, regulations, or instructions controlling the quality of the environment. The lessee shall not be responsible for pollution caused by others.

33. The lessee shall not remove or disturb or cause or permit to be removed or disturbed, any historical, archeological or other cultural artifacts, relics, vestiges, remains or objects of antiquity. In the event such items are discovered on the premises, the lessee shall immediately notify said officer and protect the site and material from further disturbance until said officer gives clearance to proceed.

34. That before execution of this lease, the following changes were made:

Revised: Condition Nos. 7, 11 and 15.
Deleted: Condition No. 12.
Added: Condition Nos. 18 through 34. Condition Nos. 18 through 34 are contained on pages 4, 5, 6 and 7, attached hereto and made a part hereof.

This lease supersedes License No. DA-04-353-CIVENG-57-198.

ASSURANCE OF COMPLIANCE WITH THE DEPARTMENT
OF DEFENSE DIRECTIVE UNDER TITLE VI OF THE
CIVIL RIGHTS ACT OF 1964

The County of Los Angeles (hereinafter called "Applicant-Recipient") HEREBY AGREES THAT it will comply with Title VI of the Civil Rights Act of 1964 (P. L. 88-352) and all requirements imposed by or pursuant to the directive of the Department of Defense (32 CFR Part 200, issued as Department of Defense Directive 5500.11, December 28, 1964) issued pursuant to that Act, to the end that, in accordance with Title VI of that Act and the Directive, no person in the United States shall, on the ground of race, color, sex, or national origin be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the Applicant-Recipient receives Federal financial assistance from the Department of the Army and HEREBY GIVES ASSURANCE THAT it will immediately take any measures necessary to effectuate this agreement.

If any real property or structure thereon is provided or improved with the aid of Federal financial assistance extended to the Applicant-Recipient by the Department of the Army, assurance shall obligate the Applicant-Recipient, or in the case of any transfer of such property, any transferee, for the period during which the real property or structure is used for a purpose for which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits. If any personal property is so provided, this assurance shall obligate the Applicant-Recipient for the period during which it retains ownership or possession of the property. In all other cases, this assurance shall obligate the Applicant-Recipient for the period during which the Federal financial assistance is extended to it by the Department of the Army.

THIS ASSURANCE is given in consideration of and for the purpose of obtaining any and all Federal grants, loans, contracts, property, discounts or other Federal financial assistance extended after the date hereof to the Applicant-Recipient by the Department, including installment payments after such date on account of arrangements for Federal financial assistance which were approved before such date. The Applicant-Recipient recognizes and agrees that such Federal financial assistance will be extended in reliance on the representations and agreements made in this assurance, and that the United States shall have the right to seek judicial enforcement of this assurance. This assurance is binding on the Applicant-Recipient, its successors, transferees, and assignees and the person or persons whose signatures appear below are authorized to sign this assurance on behalf of the Applicant-Recipient.

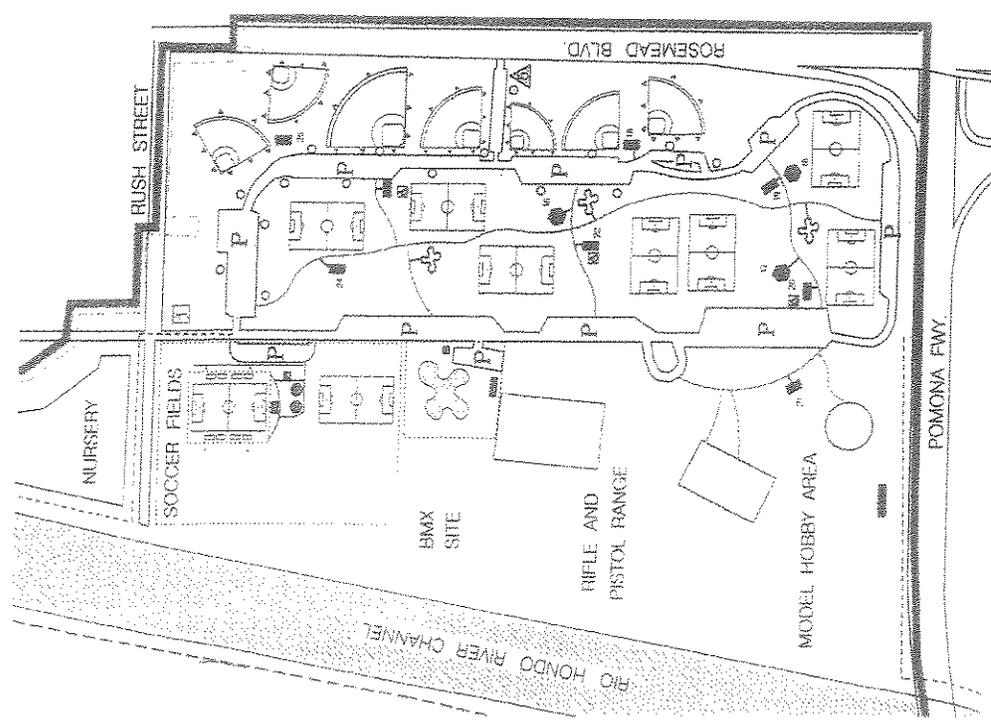
Date APR-14 1987

County of Los Angeles
(Applicant-Recipient)



By [Signature]
(President, Chairman of Board,
or comparable authorized
official)

EXHIBIT B



Site Legend

- EXISTING BICYCLE PATH
- EXISTING EQUESTRIAN TRAIL
- PROPERTY LINE
- EXISTING ASPHALT PATH
- EXISTING CONCRETE PATH
- CURRENT ADA ACCESSIBLE AREAS
- P PARKING AREA
- ASPHALT PAVING
- PLAY EQUIPMENT
- RESTROOMS
- PICNIC AREAS
- EXISTING LIGHTING
- PARK IDENTIFICATION SIGN - SPORTS AREA
- YEARLY IDENTIFICATION SIGN - SPORTS AREA
- MARQUEE SIGN - PARK IDENTIFICATION & SPECIMEN EVENT LOCATED ALONG POMONA FWY.

Sports Area

Whittier Narrows Recreation Area

County of Los Angeles Parks and Recreation

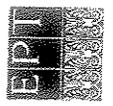


EXHIBIT C

LOS ANGELES COUNTY DEPARTMENT OF PARKS AND RECREATION

Facility Fees and Charges
Effective August 1, 2008

Bicycle Moto-Cross (BMX) Track Whittier Narrows Recreation Area

Scholarship Race	\$15 - \$35 per person
State Championship	\$30 - \$40 per person
Regional Race	\$40 - \$50 per person
National Race	\$50 - \$60 per person
Practice	\$4 - \$6 per person
Single Race	\$8 - \$14 per person
Double-Point Race	\$15 - \$20 per person
Triple Point/State Qualifier	\$25 - \$35 per person

Vehicle Entrance and Boat Launching Whittier Narrows Recreation Area (Areas A, D and E only)

Vehicle (includes motorized cycle; with boat or horse trailer under 20 feet)	\$4 per day
Vehicle (with horse trailer)	\$4 per day
Bus	\$4 per day
Recreational Vehicle (includes Trailer-type with combined length over 20 feet)	\$4 per day
Limousine Vehicle	\$10 per day

Vehicles with Veteran's Special Plates issued by the State of California exempted from vehicle entry fees on weekdays and on Veteran's Day.

EXHIBIT D
LOS ANGELES COUNTY
DEPARTMENT OF PARKS AND RECREATION
MOWING SPECIFICATIONS
Whittier Narrows Recreation Area BMX Facility

1. Mowing operations shall be performed in a workmanlike manner that ensures a smooth surface appearance without scalping or allowing excessive cuttings to remain. This includes the safe operation of equipment as determined by the Director and within the manufacturer's guidelines.
2. Turf shall be mowed with a reel-type mower equipped with rollers or a rotary-type deck and shall be configured so that the outer edges of the blade shall extend 18" to 24" beyond the outer edge of the wheel.
3. All equipment shall be adjusted to the proper cutting heights and shall be adequately sharpened.
4. Mower blades shall be sharpened weekly.
5. Mowing height shall be no less than $\frac{3}{4}$ inch and may be set as high as 2½ inches with normalcy based upon turf species and site conditions. Mowing heights may vary for special events and conditions. Heights shall be determined by the Director.
6. Mowing operation shall be on a schedule that is acceptable to the Director.
7. Walkways shall be cleaned immediately following each mowing so that no clippings create a hazardous condition.
8. Mowing of turf shall be completed in one operation.
9. Prior to initiating a mowing operation, the site is to be inspected by a knowledgeable and responsible employee, who will determine the practicality of initiating the operation. Litter is not to be shredded by mowers, glass bottles are not to be driven over and broken, and excessively wet turf areas are not to be driven across. Damaged sprinkler heads and valve box covers are to be immediately responded to.
10. If a mowing operation cannot be thoroughly completed within the designated time frame, the Whittier Narrows Park Superintendent shall be immediately notified through the Sub-lessee's communication network.
11. The Sub-lessee has the responsibility of providing fully trained and qualified personnel as well as mowing and transport equipment that is properly maintained.
12. The staff's activity is to be closely monitored to detect operational irregularities and non-compliance with contractual requirements. It is the Sub-lessee's executive, management, and supervisory staff's responsibility to see that the organization daily oversees the activities of its staff, throughout the range of its activities, and does not delay, ignore, or otherwise limit contractual obligations to a task, site, or operational request from the Director or his agents.
13. The Sub-lessee's crew leader and operational staff, as well as their supervisory and management staff, shall be fully versed in the operational mandates and time lines. An outline of the task requirements, schedule, and time lines shall be kept on file at the site.

EXHIBIT E



Department of the Treasury
Internal Revenue Service

Notice 1015

(Rev. December 2007)

Have You Told Your Employees About the Earned Income Credit (EIC)?

What Is the EIC?

The EIC is a refundable tax credit for certain workers.

Which Employees Must I Notify About the EIC?

You must notify each employee who worked for you at any time during the year and from whom you did not withhold income tax. However, you do not have to notify any employee who claimed exemption from withholding on Form W-4, Employee's Withholding Allowance Certificate.

Note. You are encouraged to notify each employee whose wages for 2007 are less than \$39,783 that he or she may be eligible for the EIC.

How and When Must I Notify My Employees?

You must give the employee one of the following:

- The IRS Form W-2, Wage and Tax Statement, which has the required information about the EIC on the back of Copy B.
- A substitute Form W-2 with the same EIC information on the back of the employee's copy that is on Copy B of the IRS Form W-2.
- Notice 797, Possible Federal Tax Refund Due to the Earned Income Credit (EIC).
- Your written statement with the same wording as Notice 797.

If you are required to give Form W-2 and do so on time, no further notice is necessary if the Form W-2 has the required information about the EIC on the back of the employee's copy. If a substitute Form W-2 is given on time but does not have the required information, you must notify the employee within 1 week of the date the substitute Form W-2 is given. If Form W-2 is required but is not given on time, you must give the employee Notice 797 or your written statement by the date Form W-2 is required to be given. If Form W-2 is not required, you must notify the employee by February 7, 2008.

You must hand the notice directly to the employee or send it by First-Class Mail to the employee's last known address. You will not meet the notification requirements by posting Notice 797 on an employee bulletin board or sending it through office mail. However, you may want to post the notice to help inform all employees of the EIC. You can get copies of the notice from the IRS website at www.irs.gov or by calling 1-800-829-3676.

How Will My Employees Know If They Can Claim the EIC?

The basic requirements are covered in Notice 797. For more detailed information, the employee needs to see the 2007 instructions for Form 1040, 1040A, 1040EZ, or Pub. 596, Earned Income Credit (EIC).

How Do My Employees Claim the EIC?

Eligible employees claim the EIC on their 2007 tax return. Even employees who have no tax withheld from their pay or owe no tax can claim the EIC and get a refund, but they must file a tax return to do so. For example, if an employee has no tax withheld in 2007 and owes no tax but is eligible for a credit of \$825, he or she must file a 2007 tax return to get the \$825 refund.

How Do My Employees Get Advance EIC Payments?

Eligible employees who expect to have a qualifying child for 2008 can get part of the credit with their pay during the year by giving you a completed Form W-5, Earned Income Credit Advance Payment Certificate. You must include advance EIC payments with wages paid to these employees, but the payments are not wages and are not subject to payroll taxes. Generally, the payments are made from withheld income, social security, and Medicare taxes. For details, see Pub. 15 (Circular E), Employer's Tax Guide.

EXHIBIT F

Safely Surrendered



No shame. No blame. No names.

In Los Angeles County: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org



EXHIBIT F

In Los Angeles County: 1 877 BABY SAFE 1 877 222 9723

www.babysafela.org

Safely Surrendered *Baby Law*

What is the Safely Surrendered Baby Law?

California's Safely Surrendered Baby Law allows parents or other persons, with lawful custody, which means anyone to whom the parent has given permission to confidentially surrender a baby. As long as the baby is three days (72 hours) of age or younger and has not been abused or neglected, the baby may be surrendered without fear of arrest or prosecution.

How does it work?

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially, and safely surrender a baby within three days (72 hours) of birth. The baby must be handed to an employee at a hospital or fire station in Los Angeles County. As long as the baby shows no sign of abuse or neglect, no name or other information is required. In case the parent changes his or her mind at a later date and wants the baby back, staff will use bracelets to help connect them to each other. One bracelet will be placed on the baby, and a matching bracelet will be given to the parent or other surrendering adult.

What if a parent wants the baby back?

Parents who change their minds can begin the process of reclaiming their baby within 14 days. These parents should call the Los Angeles County Department of Children and Family Services at 1-800-540-4000.

Can only a parent bring in the baby?

No. While in most cases a parent will bring in the baby, the Law allows other people to bring in the baby if they have lawful custody.

Does the parent or surrendering adult have to call before bringing in the baby?

No. A parent or surrendering adult can bring in a baby anytime, 24 hours a day, 7 days a week, as long as the parent or surrendering adult surrenders the baby to someone who works at the hospital or fire station.

Does the parent or surrendering adult have to tell anything to the people taking the baby?

No. However, hospital or fire station personnel will ask the surrendering party to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the baby. The questionnaire includes a stamped return envelope and can be sent in at a later time.

What happens to the baby?

The baby will be examined and given medical treatment. Upon release from the hospital, social workers immediately place the baby in a safe and loving home and begin the adoption process.

What happens to the parent or surrendering adult?

Once the parent or surrendering adult surrenders the baby to hospital or fire station personnel, they may leave at any time.

Why is California doing this?

The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned, hurt or killed by their parents. You may have heard tragic stories of babies left in dumpsters or public bathrooms. Their parents may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had no one or nowhere to turn for help, they abandoned their babies. Abandoning a baby is illegal and places the baby in extreme danger. Too often, it results in the baby's death. The Safely Surrendered Baby Law prevents this tragedy from ever happening again in California.

A baby's story

Early in the morning on April 9, 2005, a healthy baby boy was safely surrendered to nurses at Harbor-UCLA Medical Center. The woman who brought the baby to the hospital identified herself as the baby's aunt and stated the baby's mother had asked her to bring the baby to the hospital on her behalf. The aunt was given a bracelet with a number matching the anklet placed on the baby; this would provide some identification in the event the mother changed her mind about surrendering the baby and wished to reclaim the baby in the 14-day period allowed by the Law. The aunt was also provided with a medical questionnaire and said she would have the mother complete and mail back in the stamped return envelope provided. The baby was examined by medical staff and pronounced healthy and full-term. He was placed with a loving family that had been approved to adopt him by the Department of Children and Family Services.

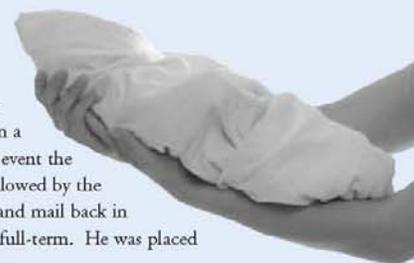


EXHIBIT F

Ley de Entrega de Bebés *Sin Peligro*



Los recién nacidos pueden ser entregados en forma segura al personal de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles

Sin pena. Sin culpa. Sin nombres.

En el Condado de Los Ángeles: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org



EXHIBIT F

En el Condado de Los Ángeles: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org

Ley de Entrega de Bebés Sin Peligro

¿Qué es la Ley de Entrega de Bebés sin Peligro?

La Ley de Entrega de Bebés sin Peligro de California permite la entrega confidencial de un recién nacido por parte de sus padres u otras personas con custodia legal, es decir cualquier persona a quien los padres le hayan dado permiso. Siempre que el bebé tenga tres días (72 horas) de vida o menos, y no haya sufrido abuso ni negligencia, pueden entregar al recién nacido sin temor de ser arrestados o procesados.

Cada recién nacido se merece la oportunidad de tener una vida saludable. Si alguien que usted conoce está pensando en abandonar a un recién nacido, infórmele que tiene otras opciones. Hasta tres días (72 horas) después del nacimiento, se puede entregar un recién nacido al personal de cualquier hospital o cuartel de bomberos del condado de Los Angeles.

¿Cómo funciona?

El padre/madre con dificultades que no pueda o no quiera cuidar de su recién nacido puede entregarlo en forma legal, confidencial y segura dentro de los tres días (72 horas) del nacimiento. El bebé debe ser entregado a un empleado de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles. Siempre que el bebé no presente signos de abuso o negligencia, no será necesario suministrar nombres ni información alguna. Si el padre/madre cambia de opinión posteriormente y desea recuperar a su bebé, los trabajadores utilizarán brazaletes para poder vincularlos. El bebé llevará un brazaletes y el padre/madre o el adulto que lo entregue recibirá un brazaletes igual.

¿Qué pasa si el padre/madre desea recuperar a su bebé?

Los padres que cambien de opinión pueden comenzar el proceso de reclamar a su recién nacido dentro de los 14 días. Estos padres deberán llamar al Departamento de Servicios para Niños y Familias (Department of Children and Family Services) del Condado de Los Ángeles al 1-800-540-4000.

¿Sólo los padres podrán llevar al recién nacido?

No. Si bien en la mayoría de los casos son los padres los que llevan al bebé, la ley permite que otras personas lo hagan si tienen custodia legal.

¿Los padres o el adulto que entrega al bebé deben llamar antes de llevar al bebé?

No. El padre/madre o adulto puede llevar al bebé en cualquier momento, las 24 horas del día, los 7 días de la semana, siempre y cuando entreguen a su bebé a un empleado del hospital o cuartel de bomberos.

¿Es necesario que el padre/madre o adulto diga algo a las personas que reciben al bebé?

No. Sin embargo, el personal del hospital o cuartel de bomberos le pedirá a la persona que entregue al bebé que llene un cuestionario con la finalidad de recabar antecedentes médicos importantes, que resultan de gran utilidad para cuidar bien del bebé. El cuestionario incluye un sobre con el sello postal pagado para enviarlo en otro momento.

¿Qué pasará con el bebé?

El bebé será examinado y le brindarán atención médica. Cuando le den el alta del hospital, los trabajadores sociales inmediatamente ubicarán al bebé en un hogar seguro donde estará bien atendido, y se comenzará el proceso de adopción.

¿Qué pasará con el padre/madre o adulto que entregue al bebé?

Una vez que los padres o adulto hayan entregado al bebé al personal del hospital o cuartel de bomberos, pueden irse en cualquier momento.

¿Por qué se está haciendo esto en California? ?

La finalidad de la Ley de Entrega de Bebés sin Peligro es proteger a los bebés para que no sean abandonados, lastimados o muertos por sus padres. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en basureros o en baños públicos. Los padres de esos bebés probablemente hayan estado pasando por dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus bebés porque tenían miedo y no tenían nadie a quien pedir ayuda. El abandono de un recién nacido es ilegal y pone al bebé en una situación de peligro extremo. Muy a menudo el abandono provoca la muerte del bebé. La Ley de Entrega de Bebés sin Peligro impide que vuelva a suceder esta tragedia en California.

Historia de un bebé

A la mañana temprano del día 9 de abril de 2005, se entregó un recién nacido saludable a las enfermeras del Harbor-UCLA Medical Center. La mujer que llevó el recién nacido al hospital se dio a conocer como la tía del bebé, y dijo que la madre le había pedido que llevara al bebé al hospital en su nombre. Le entregaron a la tía un brazaletes con un número que coincidía con la pulsera del bebé; esto serviría como identificación en caso de que la madre cambiara de opinión con respecto a la entrega del bebé y decidiera recuperarlo dentro del período de 14 días que permite esta ley. También le dieron a la tía un cuestionario médico, y ella dijo que la madre lo llenaría y lo enviaría de vuelta dentro del sobre con franqueo pagado que le habían dado. El personal médico examinó al bebé y se determinó que estaba saludable y a término. El bebé fue ubicado con una buena familia que ya había sido aprobada para adoptarlo por el Departamento de Servicios para Niños y Familias.



EXHIBIT G

PROPOSER'S EQUAL EMPLOYMENT OPPORTUNITY CERTIFICATION

American Bicycle Association

Proposer's Name

1645 W. Sunrise Blvd., Gilbert, AZ 85233

Business Address

860368722

Internal Revenue Service Employer Identification Number

GENERAL

In accordance with *Subchapter VI of the Civil Rights Act of 1964, 42 USC Sections 2000e through 2000e-17, Section 504 of the Rehabilitation Act of 1975, the Food Stamp Act of 1977, the Welfare and Institutions Code Section 1000, Americans with Disability Act of 1990, California Department of Social Services Manual of Policies and Procedures Division 21, the Contractor, supplier, or vendor certifies and agrees that all persons employed by such firm, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or because of race, creed, color, national origin, political affiliation, marital status, age, disability, or sex and in compliance with all anti-discrimination laws of the United States of America and the State of California.*

PROPOSER'S CERTIFICATION

- | | <u>Check One</u> |
|--|--|
| 1. The Proposer has a written policy statement prohibiting discrimination in all phases of employment. | <input checked="" type="checkbox"/> Yes [] No |
| 2. The Proposer periodically conducts a self analysis or utilization analysis of its work force. | <input checked="" type="checkbox"/> Yes [] No |
| 3. The Proposer has a system for determining if its employment practices are discriminatory against protected groups. | <input checked="" type="checkbox"/> Yes [] No |
| 4. Where problem areas are identified in employment practices, the Proposer has a system for taking reasonable corrective action which includes the establishment of goals and timetables. | <input checked="" type="checkbox"/> Yes [] No |

Name (please print or type) John David

Title of Signer (please print or type) Director of New Track Development

Signature



Date

9/30/08